Laird Wilcox: Observer of the Far Out

# reason

*Free Minds and Free Markets*

*July 1986/$2.00*

## Pop Music, Blue Jeans, & Ovaltine

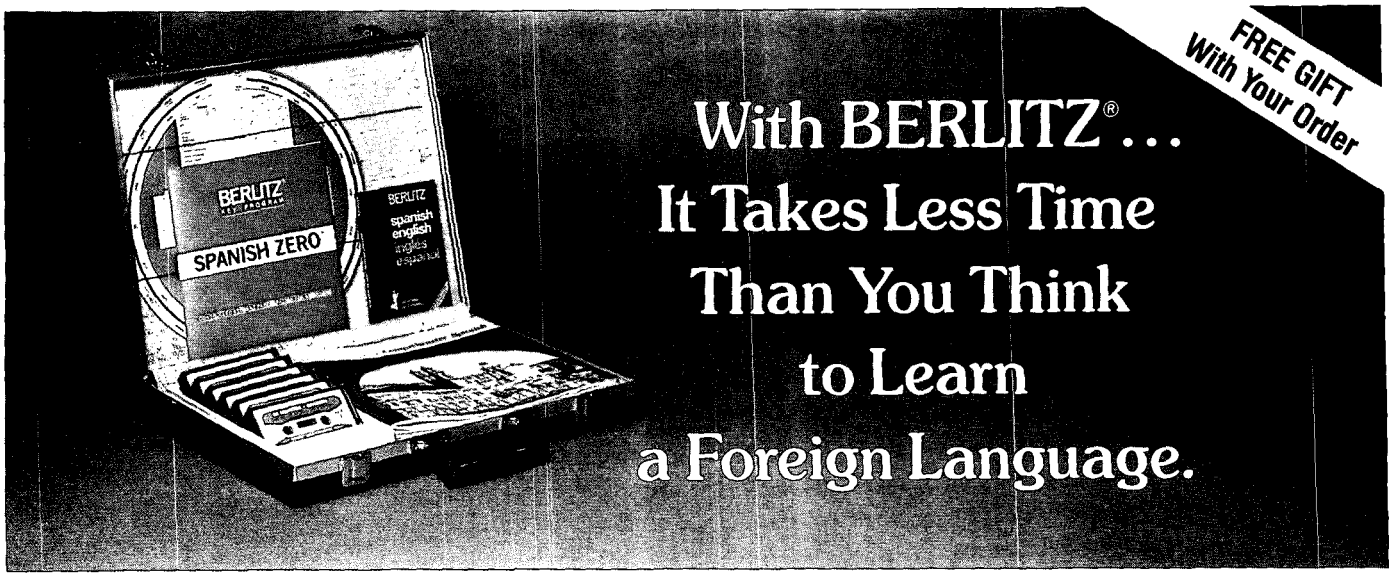
### Why the Communists Lost in Thailand (Are You Listening, Cory Aquino?)

Oil Tax: Gusher for the Pols

Buckley's Fatal Obsession

Rugged Westerners Slurp at the Trough

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED




# Try The BERLITZ® Learn-At-Home Language Program for 21 Days... *RISK-FREE.*

**Available in Spanish, French, German, and Italian Programs**

The ease and effectiveness of this learn-at-home program should come as no surprise. It has been developed by the experts at BERLITZ, a name synonymous with excellence in language instruction.

Begin with the famous Berlitz ZERO™ exercises, so named because they start you "from zero" in your new language. You learn the same way you learned English, by listening and absorbing the language as it is used in everyday settings ... then repeating what you hear. In a short while, you'll even be thinking in your new language.

Perhaps you want to learn a foreign language to help yourself in your business career, or simply to get more enjoyment out of foreign travel. Whatever your reasons, you'll find the Berlitz Learn-At-Home program to be a fast, fun, and effortless way to learn the language of your choice.

**If your company is not reimbursing you for this course, it is tax deductible if used for business purposes.**

The program, which comes in a handsome briefcase, contains:

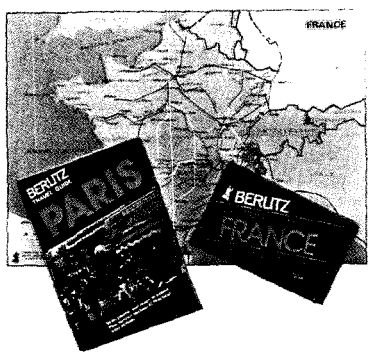
- The 10-lesson, 90-minute ZERO cassette to familiarize you with the spoken language. You begin speaking immediately.
- Forty additional lessons on five 60-minute cassettes to put your growing command of the language to work in a variety of real-life situations.
- Six illustrated workbooks to visually reinforce what you're hearing and explain the usage of the language you're learning.
- A pocket-size two-way dictionary that makes word-finding a snap – whether it's finding the English meaning of a foreign word or vice versa.
- The Berlitz Rotary Verb Finder that lets you instantly change any of four dozen common verbs into present, past or future tense.

## FREE!

### A Berlitz Travel Kit

(to the country of your choice)

These unique new travel kits help you get the most out of every day of your trip. Each country kit contains: a 60-minute cassette of practical travel tips to give you a sneak preview of the country, a color travel guide to the country's major city, and a route-planning travel map. The kit is yours to keep, even if you return the course. (A $14.95 value)




Choose from:

**France**
**Spain**
**Mexico**
**Germany**
**Italy**
**Switzerland**
**Great Britain**

### Berlitz Money Back Guarantee

Try the Berlitz Learn-At-Home program for 21 days. If you are not satisfied for any reason, simply return it and receive a complete refund.

**For your convenience on credit card orders dial toll-free**

**1-800-431-9003**
**and refer to Dept. 2200**
**24 hours a day, 7 days a week.**

**BERLITZ PUBLICATIONS, Inc. Dept. 2200**
**866 Third Ave., 27th Fl., New York, NY 10022**

Send **Berlitz Comprehensive Cassette Course(s)** checked.
$140.00 each in briefcase plus $5 for shipping and insured delivery.

☐ **French** 86100 ☐ **German** 86101 ☐ **Italian** 86102 ☐ **Spanish** 86103

☐ Send me my FREE Berlitz Travel Kit (check one)
☐ France 86474 ☐ Spain 86472 ☐ Mexico 86471 ☐ Germany 86478
☐ Italy 86476 ☐ Switzerland 86475 ☐ Great Britain 86473

Enclosed check_____ money order_____ payable to Berlitz.
Or charge my AMEX_____ Diners Club_____ VISA_____
MasterCard InterBank #_____ Exp. Date_____
Card #_____ Exp. Date_____
Name_____
Address_____
City_____ State_____ Zip_____
N.Y. and N.J. residents add sales tax. Allow 3 to 4 weeks for delivery

July 1986/Vol. 18, No. 3
reason
Free Minds and Free Markets

# features

Thailand's happy choice 24


**24** ***Welcome to the Domino That Didn't Fall***
*Maurice M. Tanner*
The people of Thailand had a choice: linoleum floors, Vicks Vaporub, and contraceptives, or a chance to live in a jungle with Maoist puritans and listen to speeches. And the winner is. . .

**33** ***Meet Laird Wilcox***
*Andy Cline*
He's marched with Klansmen, Communists, and Nazis. The FBI may not understand, but scholar Laird Wilcox is having lots of fun.

**38** ***How the West Is Watered***
*Vincent Carroll*
They wear 10-gallon hats and talk tough, but western politicians are wimps when it comes to welfare for the water-hungry.

**41** ***Inside the Mind of a Big-Time Spender***
*James L. Payne*
In a body packed with spendthrifts, William Proxmire has metamorphosed from $35-Billion Bill to the stingiest man in the Senate.


# departments


*Trends*

**18** Arizona hates 55, survey fetes immigrants, UPS rates in Texas, socialism grates in Asia, extinction awaits utilities?. . .

*Life & Liberty*

**48** ***Hey Greta, Why So Morose?***
*Tibor R. Machan*
They make great watches, but gosh those Swiss are sour. Our senior editor wonders why.

*The Book Case*

**50** ***The Quintessential Modern Conservative***
*Bill Kauffman*
Right Reason, by William F. Buckley

**52** ***Words for the Tax-Resister Wise***
*Timothy Condon*
How to Defend Yourself Against the IRS, by Sandor Frankel and Robert S. Fink

**53** ***From Country Preacher to Populist Politician***
*Richard Benjamin Boddie*
Jesse Jackson and the Politics of Race, by Thomas H. Landess and Richard M. Quinn

**55** ***Looking in on Our Spies***
*Jonathan Marshall*
A World of Secrets: The Uses and Limits of Intelligence, by Walter Laqueur

**56** ***Brief Review***
A Country Such As This, by James Webb

The big-spending demon 41

Eye on extremism 33

**6** ***REASON Thais One On***
*Up Front*/Bill Kauffman

**14** ***Freedom Dies in The War on Drugs***
*Editorial*/Eric Martí

**15** ***Civil Libertarians Cry Wolf***
*Editorial*/Marty Zupan

**45** ***Invasion of the Money Snatchers***
*Taxes*/Warren M. Salomon

**46** ***Gaining Ground in Manhattan***
*Spotlight*/John H. Fund

**58** ***A Gusher for the Politicians***
*Viewpoint*/Benjamin Zycher

**8** ***Letters***
**16** ***Brickbats***
**57** ***Rudebarbs***


Cover photograph by Bill Boyd

***REASON*** *(ISSN 0048-6906) is published monthly except combined August/September issue by the Reason Foundation, a nonprofit, tax-exempt organization, 1018 Garden St., Santa Barbara, CA 93101. Second class postage paid at Santa Barbara and additional mailing offices.* ***Postmaster:*** *Send address changes to REASON, Box 27977, San Diego, CA 92128.* ***SUBSCRIPTIONS:*** *$24.00 per year. Outside United States add $8/year for surface; $36/year airmail. Payment from Canada: US dollar postal money orders only.* ***CORRESPONDENCE:*** *Send* ***new subscriptions*** *and* ***address changes*** *(include address label and new address) to REASON, Box 27977, San Diego, CA 92128; 619/485-9623 or 566-6947. Allow six weeks. Send* ***manuscripts*** *(for return, include SASE) and* ***letters*** *to REASON, Box 40105, Santa Barbara, CA 93140-0105; 805/963-5993.* ***COPYRIGHT*** *©* ***1986*** *by the Reason Foundation. All rights reserved. Reproduction or use, without permission, of editorial or graphic content is prohibited. Opinions expressed in signed articles and columns do not necessarily represent the views of the editors or of the trustees, officers, or advisory board of the Reason Foundation. REASON is a registered trademark owned by the Reason Foundation.*

ANNOUNCING THE *RE*-INTRODUCTION OF
THE GREATEST FUTURE HISTORY OF ALL TIME BY

# ROBERT A. HEINLEIN

**"ONE OF THE MOST INFLUENTIAL WRITERS IN AMERICAN LITERATURE."**
***—THE NEW YORK TIMES BOOK REVIEW***

FIRST IN THE FUTURE HISTORY:

## REVOLT IN 2100

THE ULTIMATE ANSWER TO
THE ULTIMATE TYRANNY

**COMING IN FUTURE MONTHS FROM BAEN BOOKS WITH THE SAME TOTAL PUBLISHER SUPPORT:**

**METHUSELAH'S CHILDREN**
**THE MAN WHO SOLD THE MOON**
**THE GREEN HILLS OF EARTH**
**ASSIGNMENT IN ETERNITY**
**THE MENACE FROM EARTH**
**THE DAY AFTER TOMORROW**

September 1986 • 0-671-65589-2 • 320 pp. • $3.50
Floor display with four-color riser also available
at special discount: 27 copies for the price of only 24!
0-671-91261-5/$84.00

DISTRIBUTED BY SIMON & SCHUSTER
TRADE PUBLISHING GROUP
1230 AVENUE OF THE AMERICAS • NEW YORK, N.Y. 10020

## JOIN THE BAEN BOOK CLUB!

No gimmicks, no tricks, no hocum or hoopla. Just a fabulous deal from a science fiction publisher who has reason to advertise in *Reason!* Here's how:

Just fill in on the coupon below at least ten (no upper limit) titles from the list of science fiction and non-fiction on this page, add the prices of the items you have indicated, and make your payment for half that amount. That's right: just half—and *we* pay the postage. What a deal!

Make that check or (money order) payable to Baen Publishing Enterprises. VISA/Mastercard are also accepted. Make sure to include your account number and expiration date. Send your order to:

Baen Books
(Dept. Reason 1B)
260 Fifth Avenue
New York, N.Y. 10001

We'll take it from there. Please allow 72 hours for turnaround, and four to six weeks for the Post Office to do its thing.

PAPERBACKS

| | PRICE | |
|---|---|---|
| A. | $2.95 | FIRE TIME, Poul Anderson |
| B. | $2.95 | RETURN OF RETIEF, Keith Laumer |
| C. | $2.95 | HOUR OF THE HORDE, Gordon R. Dickson |
| D. | $3.50 | VALENTINA, Joseph H. Delaney and Marc Stiegler |
| E. | $2.95 | FAR FRONTIERS VOL. 1, edited by Jerry Pournelle and Jim Baen |
| F. | $2.95 | TORCH OF HONOR, Roger MacBride Allen |
| G. | $3.95 | ACTIVE MEASURES, Janet Morris and David Drake |
| H. | $3.50 | GAME OF EMPIRE, Poul Anderson |
| I. | $2.95 | COBRA, Timothy Zahn |
| J. | $2.95 | WOLFLING, Gordon R. Dickson |
| K. | $3.50 | PEACE WAR, Vernor Vinge |
| L. | $2.95 | RETIEF'S WAR, Keith Laumer |
| M. | $2.95 | ACT OF GOD, Eric Kotani and John Maddox Roberts |
| N. | $2.75 | PLAGUE OF DEMONS, Keith Laumer |
| O. | $3.50 | THE FORTY-MINUTE WAR, Janet and Chris Morris |
| P. | $2.95 | FAR FRONTIERS Vol. 3, edited by Jerry Pournelle and Jim Baen |
| Q. | $2.95 | FANGLITH, John Dalmas |
| R. | $2.95 | RETIEF OF THE CDT, Keith Laumer |
| S. | $2.95 | INVADERS!, Gordon R. Dickson |
| T. | $2.95 | THE DEVIL'S GAME, Poul Anderson |
| U. | $2.95 | FAR FRONTIERS Vol. 4, edited by Jerry Pournelle and Jim Baen |
| V. | $3.50 | COBRA STRIKE!, Timothy Zahn |
| W. | $2.95 | THE ODYSSEUS SOLUTION, Michael Banks and Dean R. Lambe |
| X. | $2.95 | RETIEF AND THE PANGALACTIC PAGEANT OF PULCHRITUDE, Keith Laumer |
| Y. | $2.95 | THE LAST DREAM, Gordon R. Dickson |
| Z. | $3.95 | THE MESSIAH STONE, Martin Caidin |
| AA. | $3.50 | RANKS OF BRONZE, David Drake* |
| AB. | $3.95 | I, MARTHA ADAMS, Pauline Glen Winslow* |
| AC. | $2.95 | HIGH JUSTICE, Jerry Pournelle* |
| AD. | $2.95 | FAR FRONTIERS, Vol. 5, edited by Jerry Pournelle and Jim Baen* |
| AE. | $3.95 | M.E.D.U.S.A., Janet and Chris Morris** |
| AF. | $3.50 | A CHOICE OF DESTINIES, Melissa Scott** |
| AG. | $2.95 | RETIEF AND THE WARLORDS, Keith Laumer** |

GENERAL NON-FICTION

| | | |
|---|---|---|
| AI. | $6.95 | MUTUAL ASSURED SURVIVAL, Jerry Pournelle and Dean Ing |
| AJ. | $7.95 | FUTURE OF FLIGHT, Leik Myrabo and Dean Ing |

COMPUTER BOOKS

| | | |
|---|---|---|
| AK. | $8.95 | ARTIFICIAL INTELLIGENCE: How Machines Think, F. David Peat |
| AL. | $9.95 | PROGRAMMING LANGUAGES: Featuring the IBM PC and Compatibles, Marc Stiegler and Bob Hansen |
| AM. | $8.95 | THE SERIOUS ASSEMBLER, Charles Crayne and Dian Girard |
| AN. | $9.95 | ADVENTURES IN MICROLAND, Jerry Pournelle |
| AO. | $9.95 | THE USERS GUIDE TO SMALL COMPUTERS, Jerry Pournelle |

HARDCOVER AND LARGE-SIZE PAPERBACKS

| | | |
|---|---|---|
| AP. | $14.95 | THE GATES OF HELL, C.J. Cherryh and Janet Morris |
| AQ. | $14.95 | BIRDS OF PREY, David Drake (hardcover) |
| AR. | $15.95 | BEYOND SANCTUARY, Janet Morris |
| AS. | $15.95 | BEYOND THE VEIL, Janet Morris |
| AT. | $15.95 | THE SCIENCE FICTION YEARBOOK edited by Jerry Pournelle with Jim Baen and John F. Carr |
| AU. | $12.95 | RHIALTO THE MARVELLOUS, Jack Vance |
| AV. | $13.95 | NIGHT OF POWER, Spider Robinson |
| AW. | $13.95 | THE 40-MINUTE WAR, Janet and Chris Morris |
| AX. | $7.95 | BIRDS OF PREY, David Drake |

BAEN BOOKS
(DEPT. REASON 1A)
260 FIFTH AVE
NY, NY 10001

*Please allow an additional 4–8 weeks on delivery of May or June titles.

Please send me the following titles (circle letters)*

A B C D E F G H I J K L M N
O P Q R S T U V W X Y Z
AA AB AC AD AE AF AG AH AI AJ
AK AL AM AN AO AP AQ AR AS AT
AU AV AW AX

Enclosed is my check money order VISA/MasterCard
No. and expiration date (Circle one)

Name _____
Address _____
City _____ State _____ Zip Code _____
Credit Card Acct. # _____ Expiration Date _____

*Available in May, 1986
**Available in June, 1986

# up front

## REASON Thais One On

Southeast Asia conjures up unpleasant images for most Americans: 50,000 US servicemen dying amid the carnage of the Vietnamese civil war; boat people fleeing the brave new world of Vietnamese Communism in flimsy, jerry-built crafts, drowning in the South China Sea; Pol Pot murdering two million Cambodians, providing ghastly, horrific evidence that the genocidal impulse did not expire in 1945.

This month, though, we focus on a Southeast Asian nation that largely averted the bloodshed and tyranny of the last two decades. Most of us know Thailand only through its fashionable cuisine and an interminable musical starring Yul Brynner. Maurice M. ("Mack") Tanner's knowledge is more intimate—gleaned from 12 years' duty in Thailand as a member of the US Foreign Service.

The 49-year-old Tanner, author of this month's cover story, is as peripatetic as the next diplomat. Since 1967, he's served in Peru, Panama, Mexico, and Thailand. He's currently stationed in the capital city of Bangkok, where he lives with his Thai-born wife, Chamnian.

If Tanner's interests are catholic—fishing, camping, astronomy, classical and country and western music, and jeep rides on back-country roads—his opinions are damn near recusant. "American business," he declares at the outset of a conversation, "has done more to improve the lot of the world than all the state-directed programs and subsidies."

Unlike many who sing rapturously of the glories of capitalism, Tanner is refreshingly skeptical of the efficacy of military assistance to nations like Thailand. "In the early '70s," he notes, "I was on the side arguing that what Thailand needed was *less* US military help, not more, and that they had to win [the fight against the Communist insurgents] their own way, or it couldn't be won."

The current Thai government is no paragon of Jeffersonian virtues, as Tanner is the first to admit. He describes it as "relatively repressive," though improving. It is, however and happily, inefficient. "There are laws against a lot of things," says Tanner, yet enforcement is lax enough that businessmen and energetic Thai entrepreneurs can easily evade a multitude of government dos and don'ts. (Perhaps the IRS could learn a thing or two from the incompetent statists of Thailand?)

*Focus on Thailand: Bangkok-based Foreign Service officer Maurice ("Mack") Tanner (above) examines, in both words and pictures, how the Thai people chose prosperity over communism: "With rice in the fields, fish in the rivers, and goods in the store, who wants to fight in a jungle," Tanner observes.*

Is the lesson of Thailand applicable to the Philippines, where new President Corazon Aquino must cope with the 20,000 insurgents of the Communist New People's Army (as well as an economy in shambles after 20 years of Ferdinand Marcos's plunder)? Tanner thinks so. He sees among Filipinos, at "the grass roots, the same sort of leave-me-alone attitude" toward government that is so common among Thais.

Certain of Aquino's early actions, particularly the appointment of ardent free-enterpriser Jaime Ongpin as Finance Minister, augur well for her People Power revolution. Ongpin speaks, with eloquence and urgency, of the need to scrap the central planning that suffocated Philippine agriculture in the days when Ferdinand, Imelda, and George Hamilton frolicked in Manila. Aquino and her advisors have a formidable row to hoe; they could, we submit, learn a valuable lesson from the Thai example Mack Tanner presents beginning on page 24.

Diplomat Tanner hasn't always held the views he expresses in this article. His appreciation of unfettered liberty is a product of experience, "of watching how the world works." And his observation has led him to conclude that "the only thing that works is freedom."

All of which borders on heresy in the US Foreign Service. But then Mack Tanner is not, we think you'll agree, a typical foreign-service officer. This is his first article for REASON; we doubt it will be his last.

Also from Thailand (and a helluva sight prettier than Mack Tanner) is this month's cover model, Malin ("Pom") Pongsapipatt. The 24-year-old Pom is a student at the Brooks Institute School of Photography in Santa Barbara. She came to California from her native Bangkok a year and a half ago—and intends to return to Bangkok, upon graduation, to open her own photography studio.

In the cover photo—shot by veteran REASON cover contributor Bill Boyd—Pom is holding flowers, incense, and one candle, traditional offerings at a Buddhist temple. Nirvana, thy name is Pom...

**—Bill Kauffman**

# TAX REDUCTION FOR THE PRIVATE INDIVIDUAL AND THE BUSINESSMAN

## THE CONTRACTUAL COMPANY is Best for: Tax Avoidance, Investment & Business Services

*The individual may stand upon his constitutional rights as a citizen. He is entitled to carry on his private business in his own way. His power to contract is unlimited.*
— Judge Brown in Hale v. Henkel 201 U.S.74 3/12/1906

*Anyone may so arrange his affairs that his taxes shall be as low as possible; he is not bound to choose that pattern which will best pay the treasury. There is not even a patriotic duty to increase one's taxes.*
— Judge Hand in Helvering v. Gregory 69 F 2d. 810 (1934)

Achieve ...

I — Continuity of Existence
II — Limited Liability
III — Centralized Management
IV — Flexibility

Avoid Probate, Death and Inheritance Tax and Capital Gains Tax; Reduce Income Tax

Write or Call for Information

**International Societé Of Independent Business Administrators**
Information Center For The Pioneers Of The Offshore Contractual Company

P.O. Box FH 14547 Nassau, Bahamas • (809) 322-8445, 322-8446, 322-8447, or 324-2787

---

# Secrets Of Tax Havens

**by Robert Chappell**

### Introducing... A Legal Method That Has Been Working Effectively For Generations

- Money savings previously known and used only by the "Super-Rich"
- Avoid death and inheritance taxes
- Eliminate the necessity for a Will
- Avoid probate & Reduce income tax
- Avoid Capital Gains taxes
- Protect property against seizure, confiscation, liens, and judgments
- Contractual companies, key business forms and their use explained

Send $9.95 Plus $1.25 Postage & Handling

**About The Author:**
Robert Chappell is a self-made success story. He has founded and served as president of two insurance companies and is a recognized expert in legal tax avoidance. Mr. Chappell has resided in many foreign tax haven jurisdictions, is well versed in tax law, and has been the successor in many battles with the I.R.S. He possesses an unusual knowledge of tax matters, from both practical experience and training.

Mail order to:
**ABM Publishing Company**
**P.O. Box 10 • Orinda, CA 94563**

---

**Please send** ____copies of **SECRETS OF TAX HAVENS** @ $9.95 each plus $1.25 postage & handling. 10/$70.25 postpaid 100/$597.00 postpaid

Name _____

Address _____

City, State, Zip _____

R

---

## Another Place and Time...

Turn back the clock to a time of charm, comfort and serenity. To a place that captures Eleuthera at its best... including views of ancient cliffs and the timeless ocean.

Located on the outskirts of beautiful Rock Sound, The Rock Sound Club rekindles the refreshing, easy ambience once enjoyed by Colonials and Eleutherian Adventurers alike... an enchanting treat for today's vacationers who appreciate turn-of-the century charm and hospitality along with present day conveniences.

Learn about tax reduction for the private individual or the businessman and enjoy the Bahamas while attending tax-deductible Financial Planning Seminars. Only $85.00 single or $135 double, includes room and meals.

## The Rock Sound Club
### Hotel and Restaurant

(809) 322-8445, 322-8446, 322-8447, or 324-2787
Call or Mail Coupon For Information:
P.O. Box FH 14547 Nassau, Bahamas

---

Please send information on: ☐ Financial Seminars ☐ Contractual Companies

Name _____

Address _____

City, State, Zip _____

Phone: _____

R

# letters

## Keep 'em Coming

If James Bovard's article "JFK's Baby at 25: Alive and Bumbling" (May) is an example of what we can expect from the Reason Foundation Investigative Journalism Fund, I would just like to say... keep up the excellent work!

*Jeffery D. Purtee*
*Charlotte, NC*

## Rotten to the Corps?

Writer James Bovard did the Peace Corps and the more than 120,000 Americans who have served since 1961 a great disservice in his article "JFK's Baby at 25: Alive and Bumbling." Bovard's predisposed bias toward the agency and the woefully narrow scope of his research have resulted in a skewed and inaccurate portrait of the Peace Corps as "overrated," "arrogant," "a cruel joke," "incompetent," "fundamentally flawed," and a "fraud." Obviously, there is nothing that can be done to change Bovard's mind about the Peace Corps, but I hope your readers recognize that so much of the story left untold is positive and worthy of the support of the American public.

Like any other 25-year-old, the Peace Corps has not attained perfection. But we are learning from our past and are striving to be even more effective in the future. Anyone can quote from past documents (most Bovard cited were 15 to 25 years out of date) on the agency's unsuccessful programs, and anyone can find Volunteers to comment on negative experiences overseas. But it takes an extraordinary individual to ignore the testimony of 95 percent of Volunteers who say they would do it all over again if they could, and to disregard the voluminous praise—from ambassadors, host country officials, villagers, and even Americans—for the work of the Peace Corps.

I welcome the serious reader to consider the entire scope of information and commentary on the Peace Corps and to evaluate the agency's effectiveness on its own merits. It will become evident that the Peace Corps is not quite so far from the ideals of its mission as Bovard would have the readers of REASON believe.

*Hugh L. O'Neill*
*Director, Office of Public Affairs*
*Peace Corps*
*Washington, D.C.*

## Abortion and Child Abuse: A Dubious Connection

Allan C. Carlson's "Family Abuse" (May) was interesting and to the point, but I found one paragraph most puzzling, that on Philip Ney's findings concerning abortion rates in Canadian provinces and child abuse. The author states: "[Ney] showed that those Canadian provinces with the highest and most rapidly rising rates of legal abortion were also the provinces with the highest and most rapidly rising rates of child abuse. In contrast, provinces with low abortion rates had low, even declining, levels of child abuse." I couldn't find Ney's article, so I'm writing for clarification.

Given the phrasing, I was at loss to tell whether abortion was legal in some Canadian provinces (high abortion rates, high child abuse) and illegal in others (low rates, low child abuse). If, as I suspect, abortion is legal in both "high" and "low" provinces, then the conclusive nonsense about abortion leading to "diminished restraints on [parental] rage" and other evils purportedly leading to child abuse is typical anti-abortion flimflam. After all, would it not then be equally valid to claim that the legal right to choose abortions in the low-abortion, low-child abuse provinces was responsible for the declining abuse rates there? In addition, if the provinces with low abortion rates do not have abortion on demand, then unless Ney's study corrects for the movement of women from one province to another for legalized abor-

*Communicate with REASON, Box 40105, Santa Barbara, CA 93140. We appreciate receiving your letters typed double-space and limited to 200 words. Letters sent to REASON will be considered for publication (unless otherwise noted) and may be subject to abridgement or editorial comment.*


# reason

| | |
|---|---|
| **Editor and Publisher** | Robert W. Poole, Jr. |
| **Editor-in-Chief** | Marty Zupan |
| **Senior Editors** | Manuel S. Klausner, Tibor R. Machan |
| **Managing Editor** | Eric Martí |
| **Assistant Editor** | Bill Kauffman |
| **Book Review Editor** | Lynn Scarlett |
| **Art Director** | Laura Main |
| **Assistant to the Editors** | Lucy Braun |

**Contributing Editors**

| | |
|---|---|
| Doug Bandow | Bruce Bartlett |
| Tom Bethell | Samuel Blumenfeld |
| David Brudnoy | Joe Cobb |
| Timothy Condon | James Dale Davidson |
| Thomas Hazlett | Michael McMenamin |
| Alan Reynolds | Jeff Riggenbach |
| Peter Samuel | Thomas Szasz |
| William Tucker | Walter Williams |

**Foreign Correspondents**

| | |
|---|---|
| Tahsin Alam | **Bangladesh** |
| Stefan Blankertz | **West Germany** |
| Otto Brons-Petersen | **Denmark** |
| Julio Cole | **Bolivia** |
| Fred Dekkers | **Belgium** |
| Theo. E. Brenner | **Switzerland** |
| Bruce Evoy | **Canada** |
| Enrique Ghersi | **Peru** |
| Ole-Jacob Hoff | **Norway** |
| Hubert Jongen | **The Netherlands** |
| Henri Lepage | **France** |
| John C. Loulis | **Greece** |
| Leon M. Louw | **South Africa** |
| Julio Marquez | **Mexico** |
| Antonio Martino | **Italy** |
| Toshio Murata | **Japan** |
| M. Perez | **Spain** |
| Eben Wilson | **Great Britain** |
| Oded Yinon | **Israel** |

**Departments**

| | |
|---|---|
| John Dentinger | **Spotlight** |
| Mark Edward Crane | **Brickbats** |
| Randall K. Hylkema | **Rudebarbs** |
| Warren M. Salomon | **Taxes** |
| Mark Skousen | **Investments** |
| Robert W. Poole, Jr., Lucy Braun, Bill Kauffman, and Eric Martí | **Trends** |

| | |
|---|---|
| **Controller** | P. K. Lowrey |
| **Advertising Director** | Rob McGee |
| **Director of Public Affairs** | Kelly Ross |
| **Circulation Manager** | Jacqueline Earnshaw |
| **Office Manager** | Shelly Perry |
| **Administrative Assistant** | Monica Arellano |
| **Graphic Production** | The Production Line |
| **Typesetting** | Jean Graphics |

**ADVERTISING SALES OFFICES**

| | |
|---|---|
| **Santa Barbara** | Rob McGee<br>1018 Garden St.<br>Santa Barbara<br>CA 93101<br>805/963-5993 |
| **New York** | Thomas F. Kenny<br>& Associates<br>114 East 32nd St.<br>Ste. 1406<br>New York, NY 10016<br>212/683-0570 |

tions, the conclusions are meaningless, for the rates between provinces will be skewed by the migration of women for legalized abortions.

*Paul A. Smith*
*Tucson, AZ*

**Mr. Carlson replies:** Rather than answer Mr. Smith's letter and its many questions, let me simply provide the article's full citation so that he and other readers may decide on its merits: Philip Ney, "Relationship Between Abortion and Child Abuse," *Canadian Journal of Psychiatry* 24 (1979), pp. 610-20.

## Real Conservatives Don't Start Wars—or Do They?

Bill Kauffman's May editorial, "Real Conservatives Don't Start Wars," ignores the most important and persuasive feature of neo-interventionism. "If the Russians wish to don the imperialist mantle, let them," you say. Well, wake up, Bill—they already have. Neo-interventionism proposes to aid popular uprisings in the overextended Soviet empire, in order to spread democracy. By all means let Europe and Japan pay for themselves—they can. But how do you expect the Nicaraguans to throw off their oppressors? Why shouldn't the United States help those who are struggling to be free? Once again "libertarians" have shown themselves to be more interested in saving a few dollars than in (someone else's) liberty.

*James J. O'Meara*
*Detroit, MI*

## Freedom's Not for the Faint of Heart

Warren M. Salomon's May column, "Taxing and Trivial Pursuits," proposes paying more tax than is expected to guarantee freedom from harassment by the IRS. He suggests freedom can be purchased in this manner—I wonder if he would give the same advice to someone being pressed for protection money by the Mob? We would all have British accents if his attitude had been adopted by the Founding Fathers.

America has a history of individuals willing to sacrifice for freedom. Freedom was earned with hard work and is maintained by vigilance; it was not purchased by the fainthearted who were afraid to challenge their government when it overstepped its bounds. Salomon doesn't understand real freedom after his years of "study and law practice." Apparently real freedom is only a "trivial pursuit" to lawyers.

*James Perry*
*Phoenix, AZ*

## The Buck Stops Here

As a long-time fan of financial writer Harry Browne's *How I Found Freedom in an Unfree World*, I acknowledge the pragmatism of the advice offered in Warren M. Salomon's "Taxing and Trivial Pursuits." Except for one thing: like any other commodity, the more people are willing to *buy* freedom, the more expensive it's going to become. It's a debt I cannot pass along to my children in good conscience.

*Philip E. Dethowicz*
*Philadelphia, PA*

## It's Time to Stand Tall

I just finished reading Warren M. Salomon's May column, "Taxing and Trivial Pursuits." At first I thought he was a fool, but then at the end of the column I see he calls himself a "tax specialist" and attorney. Salomon starts his column by lamenting that we were "once the freest people on Earth" but now things are different. As totally incredible as it sounds, he advises his readers to pay perhaps "a bit more" in taxes, but this way you can avoid the audit. My goodness, I thought Neville Chamberlain was dead. Appeasement for the sake of expeditiousness is how we got into the tax mess that we have. People need to stop bending over for the government, and instead they need to stand tall and challenge every damn thing that it does. The first requirement of a United States citizen should be thorough knowledge of the United States Constitution, and all governmental challenges should be based on that document. There is nothing wrong with a Fifth Amendment return. Indeed, if 5 to 10 million more of them were filed each year, perhaps we would make the IRS more aware of the existence of that amendment.

As for Warren's Wonderful Warranty, this sounds as if he's having a love affair with IRS Commissioner Roscoe Egger. If you are still filing a 1040, and you have the time to waste trying to understand the most obscure and purposefully confusing tax code on Earth, my advice is to deduct absolutely everything possible and to charge for licking the stamp that goes on the envelope. Our tax system will never be reformed unless the citizens force reform, and this means active citizen involvement. Now if you really want to surrender freedom in the 21st century, take Wonderful Warren's advice: keep your mouth shut, don't itemize, and climb into the cattle car, boy.

*Lawrence McCafferty*
*Huntsville, AL*

**Mr. Salomon replies:** My May column wasn't written about the income tax *in toto*. The income tax *qua* income tax is a wretched abomination, hated by all rational individuals, and everything I write is within that context. What I was writing about was how we behave *at the margin*. Freedom is no trivial pursuit, but taking great risks for a dollar or two might be. In other words, *if* you're filing a tax return, get it behind you once and for all, so you can concentrate on significant matters.

## So Long, Herb

I continue to await each issue of REASON with excitement, and May was no disappointment. Not only was there Marty Zupan's heartwarming Up Front piece about letters to the editor, but there were also the hard-hitting investigative reports about government threats to the family, free speech, and international common sense. But most enjoyable, for me anyway, was David M. Brown's excellent critique of Burger King's "Herb" schlock. Burger King has scrapped their campaign now because Herb wasn't selling enough hamburgers. Thank God.

*David M. Brown*
*Syracuse, NY*

## What's an Ideological Misfit to Do?

There has never been any doubt in my mind about the pervasiveness of authoritarian liberal ideas at colleges and

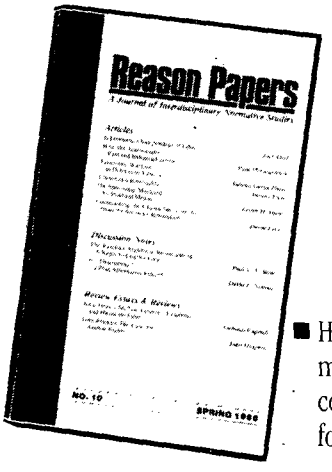
universities in the United States. The prestigious Yale University is merely one example, as Lucy Braun pointed out in her April article, "God and Woman at Yale." Ms. Braun is fortunate. She had the time, the money, and the desire to clarify and develop her own ideas. For some "ideological misfits" (like myself) the suffering is more intense. There are professors that award grades based on the acceptance of biased conclusions. Students who constantly question and scrutinize the things presented to them find themselves with little time to do other important things. Their peers even scoff at challenges to the status quo. Worse yet, many are inexperienced or inadequately prepared to counter the views of a (usually tenured) professor.

When the choice in such a situation is dropping out of college, transferring to another school, or putting the mind in neutral to get the credential, it's no wonder students learn early in their college years to conform to the wishes of their teachers.

*Joseph W. Nelson, Jr.*
*Lyndhurst, NJ*


# Reason Papers

*. . . an interdisciplinary forum for thinking about the free society*




*"Very enjoyable and stimulating"*
Fred D. Miller
Bowling Green State University

***Reason Papers No. 11 (Spring 1986) includes:***

- Hannes Gissurarson on markets and morality—the potential of the liberal order to cope with problems generated by market forces
- Frank Van Dun on the limits of value-free science
- Steven Rappaport critically analyzing Milton Friedman's methodology of economics
- And many other discussion notes and reviews

***Challenge your thinking with Reason Papers No. 11***

Please send me _____ copies of Reason Papers No. 11, at $5.00 each. My check or money order for _____ is enclosed.

Name

Address

City

State Zip

REASON PAPERS Box 40105 Santa Barbara, CA 93103


## Private Doesn't Make Perfect

Thank you for your mention of American Renaissance School in your April Trends department ("More Pols, Parents Choose Educational Choice"). By the next century, Americans will look at the idea of universal public schooling as they look at the idea of slavery today—as a tragic aberration of our system of individual rights. Opening up the school industry to the vision and productive power of capitalists will lead to vast improvements we can only guess at now.

We must remember, however, that problems with education go much deeper than politics; they are philosophical. Most private-school educators went to the same universities and teachers' colleges as did the public-school ones. They all believe in things like "social adjustment," "self-expression," "values clarification," "discussion-group learning," etc. The label *private* is not an assurance of quality. As the school industry becomes privatized, the better schools will flourish, and the inferior ones will close. This weeding out may occur quickly, but not overnight. In the meantime, buyer beware.

*Ronald Pisaturo*
*President, American Renaissance School*
*White Plains, NY*

## Freedom on the Road

In your May issue (Letters), reader Tim Jewett claims that he's all for freedom but asks "who wants to be free to reverberate around the inside of his car during the milliseconds following its collision?" Apparently millions of Americans do, because the federal government had to strong-arm the states into passing a law to force the use of

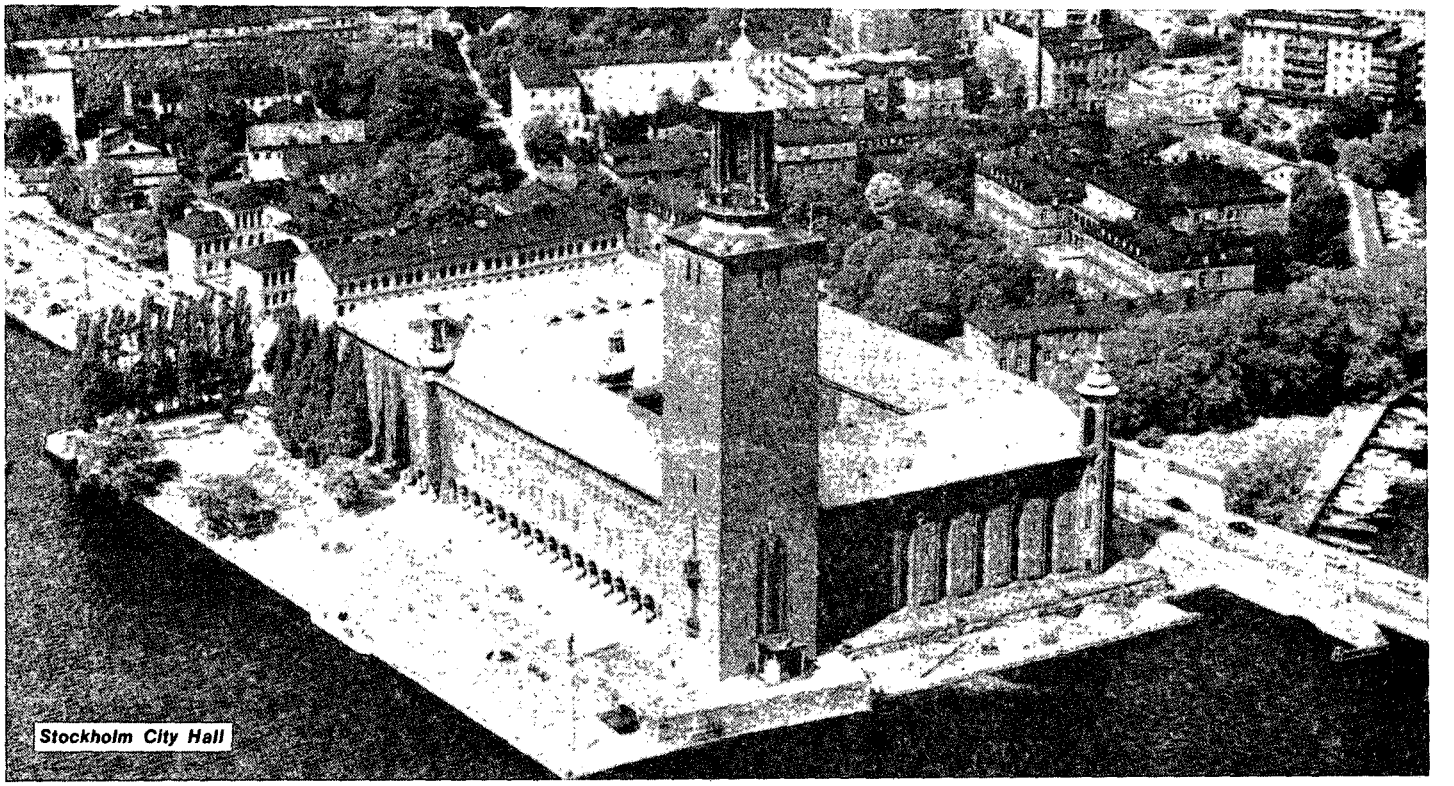
# LIBERTARIAN INTERNATIONAL

## INVITES YOU TO ATTEND:

## A Week-Long Conference Investigating Private, Voluntary Alternatives to the Welfare State

# STOCKHOLM, SWEDEN

*AUGUST 21 - 27, 1986*



Stockholm City Hall

# "The Welfare Society vs. The Welfare State"

### The Theme

In this the 3rd World Conference of the ***Libertarian International***, set in the heart of the world's consummate welfare state, we bring together a collection of the world's best minds and leading authorities on privatization, deregulation, and decontrol of government services. Our intent is to investigate and publicize both practical and moral alternatives to state-owned or controlled monopolies in areas such as health care services, education, etc., etc.

***As at previous conferences, we encourage dialogue and debate — thus non-member observers: academic, media, government, etc. are welcome to attend.***

### Additional Highlights:

A Special panel on Race Relations and South Africa with **Leon Louw** and **Frances Kendall**, both of the Free Market Foundation of Southern Africa, outspoken critics of the South African government's racial policies and co-authors of an important new book entitled: *SOUTH AFRICA: THE SOLUTION;* and **Anne Wortham**, black Harvard professor and author of *THE OTHER SIDE OF RACISM.*

Other prominent speakers include: **Robert Poole Jr.**, president of the REASON Foundation; **Ingmar Stohl**, Swedish economist and a member of the Nobel Prize Committee on Economics; **Sven Rydensett**, economist at the University of Lund, Sweden; presidential speechwriter **Karl Hess**, **Leonard Liggio** of IHS, REASON Editor **Tibor Machan**; Freenetworker **Dagny Sharon**; and **Joan Kennedy Taylor** — plus many more speakers of international repute to be confirmed later.

---

Yes, I would like to attend LI's STOCKHOLM conference. I enclose **$365 US** (EARLY BIRD RATE) which covers accommodations, all meals, two banquets, and all regularly scheduled events. I understand that I can qualify for the same special rates by forwarding half (**$182.50 US**) now and the balance before June 30, 1986. After that date the full rate of **$395 US** will be charged.

***NOTE: Early registrants will benefit via periodic updates in the mail, plus tips for economical and more enjoyable travel connections to Stockholm.***

I would like to join ***Libertarian International*** and be kept abreast of progress in the growing world freedom movement. I enclose:

☐ $20 (Basic) ☐ $35 (Sustaining) ☐ $100 (Supporting) $ _____ Donation

***Note: All levels of membership include a subscription to the FREE WORLD CHRONICLE and "Sustaining" and above receive gold-plated gift "Liberpins".***

Name _____

Address _____

_____

**LIBERTARIAN INTERNATIONAL**
***9 S. Belmont Ave., Richmond, VA 23221***

*— A "United Nations" **without** the nations —*

# Speak German like a Diplomat!®

What sort of people need to learn a foreign language as quickly and effectively as possible? *Foreign service personnel,* that's who.

**Now you can learn to speak German with the same materials used by the U.S. State Department** —the Foreign Service Institute's *Programmed Introduction to German.*

The FSI spent thousands of dollars and many years developing these materials for use by members of the United States diplomatic corps. Today people in all walks of life who need to learn to speak a foreign language are turning to this outstanding audio program.

The FSI's German Course is by far *the most effective way* to learn German at your own convenience and pace. It consists of a series of cassettes, recorded by native German speakers, and accompanying textbook. You simply follow the spoken and written instructions, listening and learning. By the end of the course you'll find yourself learning and speaking entirely in German!

**This course turns your cassette player into a "teaching machine."** With its unique "programmed" learning method, you set your own pace—testing yourself, correcting errors, reinforcing accurate responses.

This FSI Programmed Course comes in two volumes, each shipped in a handsome library binder. Order either, or save 10% by ordering both:

☐ **Volume I. Programmed Introduction to German,** 10 cassettes (13 hr.), and 647-p. text, $135.

☐ **Volume II. Basic Course Continued,** 8 cassettes, (8 hr.), and 179-p. text, $120.

(CT residents add sales tax.)

TO ORDER BY PHONE, PLEASE CALL TOLL-FREE NUMBER: **1-800-243-1234.**

To order by mail, clip this ad and send with your name and address, and a check or money order — or charge to your credit card (VISA, MasterCard, AmEx, Diners) by enclosing card number, expiration date, and your signature.

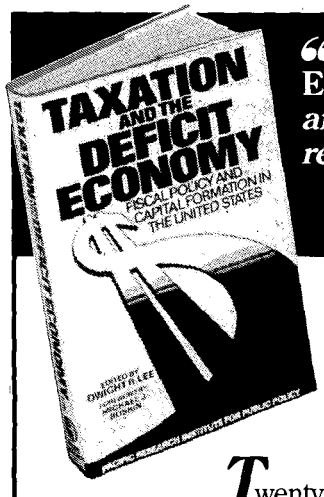
**The Foreign Service Institute's German Course is unconditionally guaranteed.** Try it for three weeks. If you're not convinced it's the fastest, easiest, most painless way to learn German, return it and we'll refund every penny you paid. Order today!

120 courses in 41 other languages also available. Write us for free catalog. Our 12th year.

**Audio-Forum**
**Room** 419
**On-The-Green,**
**Guilford, CT 06437**
**(203) 453-9794**

**AUDIO-FORUM®**






*"Taxation and the Deficit Economy is essential reading for anyone seriously interested in reforming our economic policies."*
—JAMES C. MILLER III, Director
Office of Management and Budget

## TAXATION AND THE DEFICIT ECONOMY
**Fiscal Policy and Capital Formation in the United States**

Edited by DWIGHT R. LEE
*Foreword by MICHAEL J. BOSKIN*

Twenty-two distinguished economists examine the harmful effects of taxation on personal and corporate income; the deleterious impact of welfare programs, Social Security, and military spending on capital formation; and the special political and bureaucratic interests that dominate the fiscal process. Proposals for reform include stringent constraints on the fiscal process, economic deregulation, tax reduction and simplification, and reductions in both transfer payments and military spending.

**530 pages; paper, $14.95; cloth, $34.95**
**Available at bookstores**

*PACIFIC INSTITUTE*
FOR PUBLIC POLICY RESEARCH
177 Post Street, Dept. 2, San Francisco, CA 94108


# letters

seatbelts. And since no state is yet claiming 100 percent compliance, it would appear that millions of people like the idea of "reverberating" so much that they are willing to break the law to do it! And that old worn-out cliché that driving is a privilege granted to us children by Mommy and Daddy State is pure twaddle! It's the kind of statement that goes well with a smug little smile and a knowing wink. Freedom of movement is a basic right and the primary mode of transportation is the automobile. As for Jewett's statement that stringent state licensing and control confer some sort of immunity from criticism "based on arguments involving individual liberty"—it's a joke, right? The author was really H. L. Mencken, wasn't he? Or does he work for the Justice Department? Where do I apply for my walking license? It's a jungle out there all right, not because of "psychopathic "drivers"—it's because of all those "freedom-loving" Americans.

*John Moore*
*Harlingen, TX*

## A Long Overdue Letter

I'm just writing to let you know that every month your magazine informs me, enlightens me, prods me to rethink issues, reaffirms my deeply held values, delights me, amuses me, and bemuses me. And I have *no* bone to pick. About a year and a half ago I was a "brand new subscriber, full of enthusiasm for REASON." I was so enthusiastic that I was going to sit down and write you a letter. But I never got around to it. Then I read Marty Zupan's Up Front column in the May issue, and it broke my heart. Really. I visualized you working month after month, putting out and putting out, and getting back so little feedback and recognition. So I decided to sit down and write that long overdue letter, from this formerly new, but still enthusiastic, subscriber. Your excellently written magazine has shown me a perspective on the issues of our time that I never knew existed, although I always felt uncomfortable with all of the other positions and instinctively felt that there had to be a "better way" of some vague form. I enjoy it immensely and devour it every month as soon as it comes in the mail, even though I don't always agree with everything in it. Thanks for existing, and keep up the good work.

*Philip Ort*
*Brooklyn, NY*

# You Can Make Up To
# $2,000 An Hour
## Claim a share of your $25,000,000,000 the Gov't. holds!

**Would you like up to $2,000 for just making a few phone calls and looking in some phone books?** That is all you have to do to enjoy this kind of money. If you can read English and can talk on the phone, you can make thousands of dollars in a few hours—and you don't have to do any selling at all.

**I am going to show you how you can make up to $2,000 an hour.** This ad will also explain every detail of an exciting new business that has never been advertised or attempted before—what's more, you can enter with no money.

Life was not always rosy for me. I got involved in a bad business investment two years ago and I lost more than $11,000. I lost every cent I had, even money I didn't have. I worked as a clerk by day and a waiter by night. I never really liked cleaning tables, but what else could I do? I had to stop disappointing my loved ones. I remember coming home on Mother's Day really anxious to call my mother, only to find the phone disconnected. I went through my mail and prayed for some good news, only to find an envelope with no return address—it contained an eviction notice. We were fortunate to have relatives that were kind enough to let us stay with them. I didn't know that being in debt could hurt so much. I prayed for a way out.

My friend Gary who was in the same financial boat as me told me a story that changed my life forever. He told me very excitedly "I received a funny-looking letter in the mail. When I first saw it, I thought it was another creditor making a claim on me. The letter told me about money that was rightfully mine—it said that if I signed the enclosed form, I would receive $2,592.59. Things were so bad that I had nothing to lose, so I signed the form neatly and returned it to the company.

Ten days later I received a check for $2,592.59. With an explanation. A distant aunt had died and left $4,320.98 in her savings account. The company that found me collected $1,728.39. The firm had no trouble finding out that I was related to her. Just for matching up people with the same last names, that company was making millions each year."

### $50,076.78 In One Month

This great opportunity really excited me. I was compelled to find out more about it. What could I lose? I found out everything I could and began to work on a plan. I put it into effect. My prayers were heard. To my relief I started to make more money than I have ever seen in my life for doing practically nothing. In fact my income last month was $50,076.78.

I got a C-minus average in high school—one year, I got an F in English. By no means was I ever considered to have the smarts. **All you have to do to make up to $2,000 an hour is thumb through phone books and make a few calls.**

My family and I have always loved the beach, so last summer we moved into a gorgeous home. My wife told me it was her life long dream to own a brand new car. You should have seen the tears of joy when I surprised her with her new $20,000 car. Later I bought a 1986 Mercedes 560 SL. That cost me over $50,000.

The amount of money I was making was incredible. Just as a hedge against taxes, I bought two 3-bedroom houses valued at $200,000. I asked everyone in my family what they wanted the most and they said they wanted to see all of us together going places. In the past month we have visited three countries. In fact, we take a vacation every month. It's great seeing the joy in everyone's eyes as I spend more time with them. **All of this for thumbing through the phone book.**

Twenty-five billion is just setting there waiting for someone to recover it. One out of ten Americans have forgotten or lost money in bank accounts, stocks, insurance premiums, etc., worth as much as the amount of $10 bills you could lay end-to-end around the world: **$25 billion.** I will disclose a plan to you that will show you how to get your hands on this money.

**Only 10% of the rightful owners claim their share of the $25,000,000,000.** The states make no strong effort to contact the rightful owners. Why should they, when unclaimed property is their biggest source of revenue, second only to taxes? The states are required by law to make a list of unclaimed owners. These lists are hard to find but I will show you how to get every one that the states publish. **And in some cases, they're free.**

Let me give you a random sample list from the state of Wisconsin. (Addresses are included in the lists.)

| Owner's Name | Property | Amount |
|---|---|---|
| Drinka, Teresa, A | Savings | $10,891.47 |
| Lavelle, Samuel | Stock Proceeds | $21,529.61 |
| McDonnell, Martha | Savings | $12,843.78 |
| Meyer, Thusneida | Savings | $18,489.18 |
| Patterson, Arthur | Savings | $14,629.24 |
| Stien, George | Savings | $57,525.83 |

**This listing is only a minor portion of the $25 billion in unclaimed property that is waiting for you.**

California still hasn't found the owner of one account worth $186,000. Someone in Massachusetts left behind $400,000. North Carolina owes one person $500,000. **All you need is a phone and a phone book to get your share of $25,000,000,000.**

### Sample Proof

Bonnie Goldstien, a well-known syndicated newspaper writer who doesn't know very much about finding people, located the owners of $4,100 in two and a half hours with two telephone directories—she said so in the "San Francisco Sunday Examiner & Chronicle."

### Sworn Testimonial

I've spent at least $7,000 on money making books and seminars. The difference between them and your method is that yours works! In less than three weeks (part time) I was able to secure $52,614.21. Thanks for a business that will easily make me $100,000 this year. If I can ever be of service just call.

**Steve S.**
**Longmont, Colorado**

***As soon as you receive my book, you can make up to $2,000 an hour.*** All you need are telephone books and a phone. The proven system in this book can be learned in a half hour. After that, you are all set. If you can read English and can talk on the phone, you're in business. It's as easy as that.

### My Guarantee

Send for my complete guide to recovering unclaimed money. Read the simple formula that has been tailored for each individual state. Sit down and make the required few phone calls and directory searches. **After following the simple formula, you must be able to recover up to $10,000 in one day** or your complete payment will be returned to you.

Everything in this ad is true, but I don't expect you to believe me. I want you to hear it from a very credible source. **Contact any politician and he or she will verify how much unclaimed money the states have.**

This opportunity can give you a new home, car and all of the luxuries money has to offer. Think of what up to $10,000 today could do for you. Could you use this kind of money? There is a definite flaw in our revenue system, and you can profit from it. I pride myself on making your decision simple. **You can either enjoy up to $2,000 or be one hour older—the choice is yours.**

**David Bendah** (619) 265-8777
6602B El Cajon Blvd., Dept.
San Diego, CA 92115

**Dear Dave,**

You can show me how to make up to $2,000 an hour, so $10 is a small price to pay. Send me your complete guide to recovering $25,000,000,000 in unclaimed money on the condition that I must be able to recover up to $10,000 easily in one day with your book or you will return my entire payment.

*On that basis, here is my $10.*

*Name* _____

*Address* _____

*City* _____ *State* _____ *Zip* _____

*For rush delivery please add* **"2 dollars"**. For this type of delivery write RUSH in large letters on outside of envelope.

©1986 David Bendah EG

# Freedom Dies in The War on Drugs

Eric Marti

Since 1969, when Richard Nixon declared a war on marijuana, the national drug authorities have struggled in vain to combat the increasingly popular use of pot and other illicit substances. Forty million Americans have tried marijuana, 20 million smoke it regularly, some 5-6 million are habitual users of cocaine, and heroin addicts number about a half-million. Illegal drugs add up to a $110-billion-a-year business, with marijuana now trailing only corn as the nation's most valuable cash crop. And despite President Reagan and Attorney General Ed Meese's well-publicized campaign to beef up the nation's dope-busting forces, illicit drugs are more available today than ever before.

The authorities, however, think they've found new hope in an idea proposed by the President's Commission on Organized Crime: testing American workers by urinalysis for illicit drug use. Admitting that attempts to curtail the *supply* of drugs have proved futile, commission leader Judge Irving Kaufman suggests that a crackdown on *demand* is now in order. In a report issued in March, the commission recommended mandatory testing of all federal-government employees and of all who work for government contractors, and it urged private employers to implement testing.

The proposal immediately set off waves of outraged response, with critics blasting it as unconstitutional. The outrage is certainly welcome, but by focusing on the constitutionality of testing, the debate misses the fundamental issue: the drug prohibition itself.

If testing employees for drug use were a purely voluntary system, it wouldn't be unconstitutional. Employers have the right to require testing for drug use or anything else as a condition of employment, and if employees choose to work under such conditions, so be it.

Constitutionality aside, however, indiscriminate universal testing is still repugnant. It operates on a perverse notion of presumed guilt, leaving it to the individual to prove his innocence. The attitude of those who support the testing proposal seems to be that if you haven't done anything wrong, then you have nothing to worry about. The absurdity of that position comes out by applying the same logic elsewhere: would you permit the police to enter your living-room unannounced every now and then just to make sure that you weren't, say, beating your children?

Moreover, tests are not 100 percent accurate, which means that there will be falsely accused suspects. For example, using a procedure that is 95 percent accurate to test a population in which, say, 1 percent are "guilty" would mean that for every true accusation there would be five false accusations.

Testing is also a gross invasion of personal privacy. An individual's relation with his urine and what to do with it is an intimately private matter, and to subject the stuff to inspection by boss and police alike is an affront to personal dignity.

Yet so long as drugs are prohibited by law, authorities will be drawn to such methods of detection and enforcement, methods that are abusive of personal privacy. Already, for example, the drug police, on the lookout for "money-laundering" by drug dealers, monitor the banking activities of individuals, and banks are required by law to report large cash transactions to the authorities.

John Lawn, head of the federal Drug Enforcement Agency (DEA), fairly beat his breast when, speaking earlier this year to a gathering in California, he reported some of the feds' handiwork on this score: "These financial investigations are going on all over the United States. One California bank was fined $2.25 million for failing to report almost 7,900 separate large cash transactions amounting to $3.98 billion during the last five years," the DEA chieftain reassured his listeners. "Another bank in California was fined $4.75 million for failing to report more than 17,000 large cash deposits and transfers since 1980," Lawn recounted with rising glee—though noting that in this case the institution had itself uncovered its sins against the state and "voluntarily brought its violations to the attention of the Treasury Department." Thank goodness.

The drug police have to resort to such invasive surveillance techniques precisely because the "crimes" they are trying to detect involve no victims and therefore no plaintiffs. The various transactions that take place among participants in the drug trade, from producers to traffickers to buyers, are purely private and voluntary. If I peacefully sell a substance to someone who is willing to pay for it, whose rights have been violated? If I peacefully buy a substance that someone's willing to sell me, whose rights have been violated? If I peacefully ingest the substance, whose rights have been violated? No one's.

But in order to uncover those various transactions—the supposed crimes—the drug-enforcement authorities must somehow breach the privacy in which the transactions take place: through infiltration of the drug trade, through surveillance of individuals and their bank accounts, through entrapment of drug sellers and buyers. And now, of course, by proposing to collect and assay the urine of American workers, the authorities have latched onto what is thus far the most invasive monitoring of private individual conduct.

Debating the constitutionality of the testing issue, then, is ultimately an exercise in rearranging deck chairs. That the

enforcement of the law requires such bizarre and abusive measures indicates that the drug prohibition itself is fundamentally wrong and must be ended.

The pragmatic arguments for legalizing drugs are by now familiar: No enforcement efforts short of erecting a massive police state will curtail either use or supply of easily concealable and privately consumed substances that are in popular demand. Legalizing drugs would drive organized crime out of the business. It would dramatically bring down the price of addictive drugs like heroin, relieving addicts of the need to rob to support their habits, and thus eliminating a major source of crime in American cities. It would relieve the police and the courts of burdensome and costly enforcement and adjudication responsibilities, and it would help depopulate the nation's jails and prisons. (In federal prisons alone, *37 percent* of the inmates are there for drug violations.)

Pragmatism, then, suggests that we end the costly and futile prohibition of drugs; regard for justice and freedom dictates it. ◻

# Civil Libertarians Cry Wolf

Marty Zupan

Why was it perfectly okay, even virtuous, for grocery stores to refuse to stock nonunion grapes and lettuce in response to pressure from Cesar Chavez and his followers, but it's not at all okay, it's downright un-American, for convenience stores to pull *Playboy* and *Penthouse* from their shelves in response to pressure from Jerry Falwell and his followers? Figure it out.

The frothing at the mouth of civil libertarians over the recent decisions of 7-Eleven, Peoples Drug, and others to stop carrying adult magazines is ridiculous—and, ironically, counterproductive of efforts to protect civil liberties. "Censorship!" they cry. Hogwash! Censorship is *government* prohibition of the publication or sale of materials it deems offensive. A drug store's decision not to carry *Playboy* is no more censorship than is the decision of a health-food store not to stock cigarettes.

Ah, but one is the printed word, and that makes it different—sacrosanct—some will say. More hogwash! Is it censorship for a newsstand in Peoria not to carry the *New York Times* because they'd lose money doing so? Of course not. Is it censorship for the left-liberal *Nation* magazine not to run an article applauding President Reagan's conservative agenda? Of course not. It is not censorship for any private citizen or group of citizens (such as a corporation) to be selective in what they will read, look at, publish, say, offer for sale, advertise, etc.

Civil libertarians are going to cry "Censorship!" once too often over private decisions they don't happen to agree with. And what will happen then when their object of protest really is a government attempt to skirt the First Amendment?

None of this is to say that pornography really is awful, as the forces of righteousness who are so gleeful over the porn purveyors' actions would have us believe. We haven't seen credible evidence linking porn and crime; and if some varieties of what is loosely lumped under the heading "pornography" are corrosive of important social values (say, the family), it still is simply not the business of the *government* of a free people.

Nor is this to condone the Justice Department's campaign against the sellers of adult magazines and videos. Early this year, the Attorney General's rapidly-becoming-infamous Commission on Pornography sent off letters to the likes of Warner Publishing, Southland Corp. (7-Elevens' parent), and Waldenbooks advising that it had "received testimony alleging that your company is involved in the sale or distribution of pornography" and "allowing" the companies an opportunity to respond to the charges. This was an outrageous attempt to intimidate.

Southland Corp., for one, said that it did not pull its adult magazines on this basis. Maybe so, maybe not. But *their* decision is not censorship. Civil libertarians' should point their fire in the right direction. ◻


WORK FOR REASON!

*Reason is on the move, and this could be your chance to put your experience to work for your beliefs.*

**Public Affairs Director**

Present Reason and the Reason Foundation to the public: Job includes writing PR materials, working with print and broadcast media, and assisting with fund-raising efforts. Experience with personal computer is desirable.

**Advertising Director**

Sell advertisers on a unique, dynamic magazine: Position involves selling display ad space in Reason, coordination of outside ad reps, development of advertising sales promotional materials, and management of Reason's list rental.

Jobs to start in July at new location in west Los Angeles. Send resume and salary history to President, Reason Foundation, 1018 Garden St., Santa Barbara, CA 93101.

**Too Much Mail Can Be Irritating . . .**

*On the Other Hand, Some People Love It!*

Whichever way you feel, you can help us accommodate you. **REASON** makes its list of subscribers available to selected organizations whose products, services, or activities might be of interest to you. We do a lot of direct mailings ourselves, and we believe in the legitimacy and importance of such marketing efforts.

But if you wish to have your name restricted from such use, please fill in the information below **EXACTLY AS IT APPEARS ON YOUR MAILING LABEL** on the cover of **REASON**. Or attach the mailing label itself to the coupon and return it to:

*P.O. Box 27977*
*San Diego, CA 92128*
*Attn: Mailing Lists*

☐ *Please remove my name from your mailing list.*

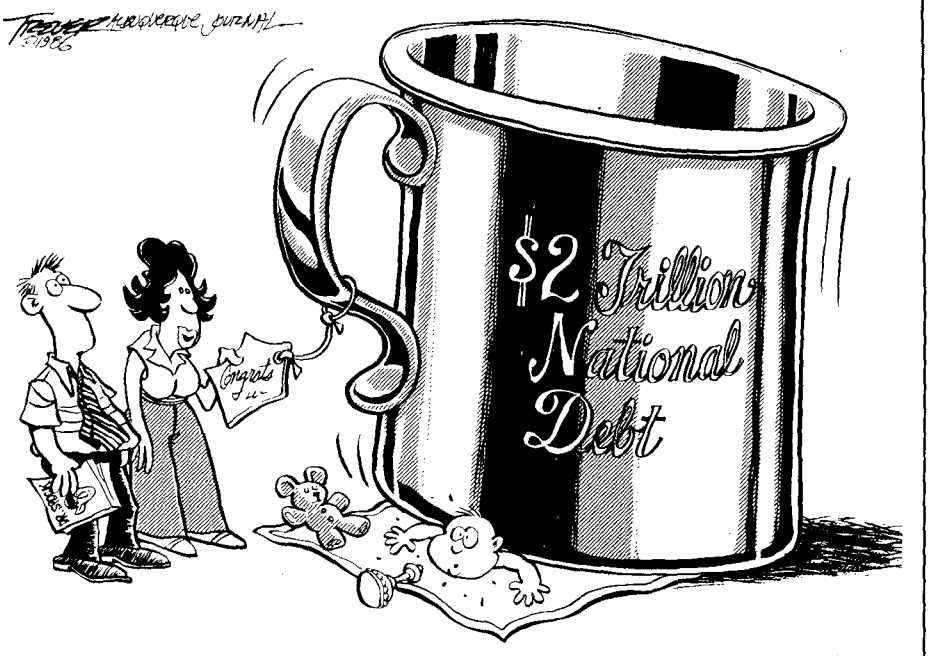
NAME

ADDRESS

CITY STATE ZIP

# brickbats

The Los Angeles school board has voted to abolish failing grades for young children. Pupils having trouble in kindergarten, first, or second grade will now get a report card with an "N" grade, meaning "needs improvement." The change will prevent children from "feeling like failures at age six," says board member Jackie Goldberg, who was disappointed the change doesn't apply to all grades. Critics of the proposal pointed out that poor grades are not a cause of failure but a reflection of it. The school board also approved another Goldberg proposal to require parental consent whenever a student is to repeat a grade. Rather than "stigmatize" children, the learned Goldberg would have them be pushed ahead, ready or not. For their own good, you know.




"AN ENGRAVED BABY CUP FROM HIS UNCLE SAM – HOW THOUGHTFUL!"

Sorry, Jeeves. Your days as a butler are numbered. That's what the posh Boston suburb of Wellesley decided when it passed a law limiting homeowners to only two live-in servants. Actually, the 200 residents who passed the new law at the annual town meeting don't have anything against rich homeowners with mansions filled with maids and butlers. The law was designed to crack down on folks *without* servants. "Groups of unrelated people, many of them students and young people, are getting together and renting an entire house" in violation of zoning laws, says planning-board member Samuel Balkan. "When we challenge homeowners, they claim the extra boarders are servants." Any homeowner with more than two servants must apply for a permit with the zoning board.

The best deal in the world, if you don't have claustrophobia or a fear of lots of other people, is the Mexico City subway ride. The cost: one peso, or two-tenths of one US penny. In order to maintain the current fare, which has been in place since 1969, one-third of the Mexico City budget is dedicated to public transport. Collections from the fare box cover a mere six percent of operating costs. The fare is kept artificially low for "social policy reasons." It's naturally the most crowded subway ride in the world, with more than four million passengers a day. But at that price, who's complaining? Only the taxpayers.

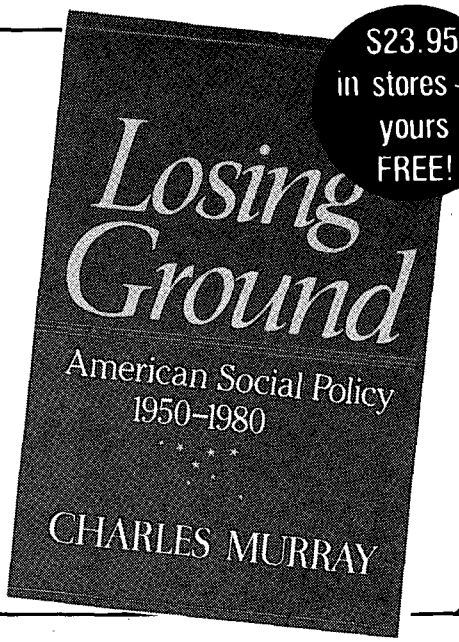
Forget about Russian submarines, scandalous libertines, and frigid winters. The residents of Sweden have bigger woes—snoopy sociologists. It was recently discovered that a team of the ubiquitous researchers has for 20 years been compiling detailed profiles of nearly 15,000 Swedes by rummaging through computerized official records. Project Metropolitan is a sociological study designed to follow all 10-year-olds who lived in Stockholm in 1963 through the next 20 years of their lives. Since every Swede has a 10-digit "person number," access to personal data is simple. The problem is, nobody ever bothered to let the 15,000 subjects of the study know that every facet of their lives, including political attitudes, was being continuously monitored. Actually, this isn't so unusual in Sweden, where any adult will appear in at least 100 official registers open to the public. But this blatant secret snooping by sociologists was too much even for Swedes to take. A government board ordered the researchers to "de-identify" its files so that no name can ever be connected to the personal information about individuals. Undaunted, one seeker of knowledge protested, "It is sometimes unethical not to do research if we can get answers we should know about."

The Los Angeles Community Redevelopment Agency is spending nearly $1 million to build a downtown transit tunnel that goes nowhere and will probably never carry passengers. The Bunker Hill Transit Tunnel, a block-long corridor about 15 feet high and up to 28 feet wide, was supposed to serve a Downtown People Mover. But plans for that $259-million system were quashed in 1981 by the Reagan administration. Agency officials say they intend to someday incorporate the remnants of the people-mover tunnel into a new transit project, although they concede that they don't know how or when that will be accomplished. They're also not quite sure what destinations the system will serve. But none of that matters, for scarce federal funds are available for the project. "If we don't spend the money, there is a possibility of losing the grant," said one worried bureaucrat.

***—Mark Edward Crane***

# "Murray...has finally and unanswerably demolished both the moral and the practical claims of the welfare state"

—GEORGE GILDER, *The American Spectator*




## *This breakthrough book is making conservatives purr and liberals squirm . . .*

"Murray's book, relentlessly logical and well-documented, should convince any serious reader that it must at least be squarely faced. . . . The heart of the book, the best and most devastating part, is a long compilation of data meant to prove that the poor have done worse as government programs aimed at them have flowered. It is especially uncomfortable reading because the case is made by comparing blacks to whites. . . . No doubt that racists will love Murray's book. So what? When millions of people are suffering, it seems irresponsible for the left to expend its intellectual energies on these blame-shifting exercises. . . . his is a vision that coheres, as the left's on this subject doesn't any more. . . . This is the problem that liberals must address; Murray's book in effect throws down the gauntlet to them. The standard responses (most of which Murray neatly sets up and demolishes) won't do, because they don't offer real hope of a solution."—*New Republic*

"Irrefutable."—John Chamberlain, syndicated column

"Without bile and without rhetoric, it lays out a stark truth that must be faced."—*Business Week*

"Devastating. . . . Those who already believe welfare is a poverty trap that undermines independence, ambition, and upward mobility will find Charles Murray's new book a powerful and well-documented affirmation of that belief."—*National Review*

"A great book. Others have recently made the same argument. . . . But Charles Murray's version . . . is particularly convincing. He writes with flair, but his tone is steadfastly nonpartisan; he marshals an immense amount of data . . . but never loses the reader in numbers; and he never ventures a conclusion for which he has not laid the most elaborate and convincing groundwork. . . . By the time Mr. Murray gets around to conclusions, even devotedly non-Reaganite yuppies will be ready to agree. . . . James Coleman, the University of Chicago sociologist, is quoted on the dust jacket . . . as saying 'future discussions of social policy cannot proceed without taking the arguments and evidence of this book into account.' Dust-jacket puffery is notorious, but in this case the compliment is, if anything, restrained. Mr. Murray's book is so well wrought that it is likely to dominate those discussions well into the 1980s."—*Wall Street Journal*

"Murray unabashedly asserts that slashing social spending is the greatest favor the Government can bestow upon the poor. . . . Conservatives have made that argument before, but no one has documented it as thoroughly as Murray does."—*Time*

### Important for Christians

Is welfarism the way to help the poor? The National Council of Churches and the Catholic bishops think so. This book leaves them with only their biases.

**How to get this myth-shattering volume FREE**

### How the Club Works

Every 4 weeks (13 times a year) you get a free copy of the Club Bulletin, which offers you the Featured Selection plus a good choice of Alternates — all of interest to conservatives. ★ If you want the Featured Selection, do nothing. It will come automatically. ★ If you don't want the Featured Selection or you do want an Alternate, indicate your wishes on the handy card enclosed with your Bulletin and return it by the deadline date. ★ The majority of Club books will be offered at 20-50% discounts, plus a charge for shipping and handling. ★ As soon as you buy and pay for 3 books at regular Club prices, your membership may be ended at any time, either by you or by the Club. ★ If you ever receive a Featured Selection without having had 10 days to decide if you want it, you may return it at Club expense for full credit. ★ Good service. No computers! ★ The Club will offer regular Superbargains, mostly at 70-90% discounts plus shipping and handling. Superbargains do NOT count toward fulfilling your Club obligation, but do enable you to buy fine books at giveaway prices. ★ Only one membership per household.

**CONSERVATIVE BOOK CLUB**

15 Oakland Avenue • Harrison, NY 10528

Please accept my membership in the Club and send me, free and postpaid, Charles Murray's $23.95 volume, *Losing Ground*. I agree to buy 3 additional books at regular Club prices over the next 18 months. I also agree to the Club rules spelled out in this coupon.

R-42

Name _____

Address _____

City _____ State _____ Zip _____

# trends

## How Do You Spell Relief for Ailing Rural Hospitals? P-R-O-F-I-T-S

A transfusion of the profit motive into the health-care market seems to work wonders for ailing rural hospitals—despite prophecies to the contrary by critics of for-profit health care. Profit-motivated health-care providers, critics have long warned, would "skim the cream" of the market, setting up shop only in wealthy suburban areas, where the cases are easy and the money abounds. Yet for-profit health-care companies are moving into rural areas—home to one fourth of the population—where they are reviving municipally run, money-losing hospitals, *Venture* magazine recently reported.

*Profits are the prescription: Westworld Community Healthcare revived the ailing 16-bed Custer Community Hospital in Custer, South Dakota, with a dose of profit-based operation. The firm has similarly resuscitated more than 20 other rural hospitals.*

For instance, when Westworld Community Healthcare, Inc., of Lake Forest, California, took over a 38-bed hospital in Tooele County, Utah, the place was in critical, red-ink condition. In less than a year's time, Westworld had it back on its feet. The county agreed to give Westworld a 40-year lease on the hospital at $1 a year. In return, Westworld promised to retire some of the hospital's debt and to invest $6 million in the facility over a three-year period (the company has already put $1 million into it). Because so many rural hospitals are in terrible financial shape, Westworld is able to lease most of its 36 hospitals from county governments under similar favorable terms.

Four-year-old National Healthcare, Inc., of Dothan, Alabama, has also focused on rural markets, with 23 operations in towns of up to 20,000 residents. Other names in the field include Basic American Medical (Indianapolis) and Hospital Management Associates (Naples, Florida). Private-sector interest in rural health-care facilities may well grow even more—Westworld itself has a list of 2,465 rural markets with populations under 25,000. Of those, some 800 look attractive.

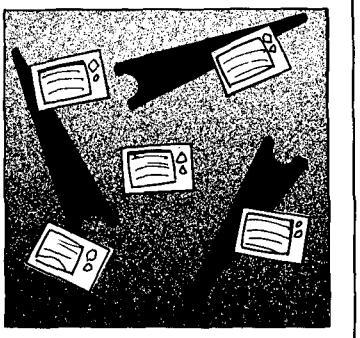
Critics of for-profit health care haven't yet appreciated that so long as the law allows open competition, providers will identify and seek to serve markets wherever they exist—even in rural America. And the 60 million people who live there are no doubt quite thankful that companies see such opportunities in their midst.

## Rip Van Cable Wakes Up to Competition

A lot of regulators and their academic supporters must be frustrated. For years they've been pointing to cable television as a prime example of a "natural monopoly," where one and only one firm can efficiently serve consumers. In this situation, goes the argument, competition would lead to overbuilding and eventual bankruptcies. Knowing this, no company would be interested in making the capital investment necessary to build up a cable system. So, continues the argument, government must forbid competition and guarantee a monopoly franchise to one company—the quid pro quo for this lucrative opportunity being government control of rates and other matters.

But several private firms that don't enjoy monopoly franchises have nevertheless constructed cable systems, throwing a wrench in the theory that a free-entry policy won't work. And an increasing number of companies that want to get in on the action of the cable market are building their own cable systems alongside existing ones, further undermining the natural-monopoly argument. Mobile, Alabama, has recently joined the growing list of 30-40 cities where such competition between cable companies has resulted in lower rates for customers.

Before competition reared its head in Mobile, Group W Cable offered consumers a 12-channel service for about $11 a month. Then along came Mobile Cablevision,



laying a system next to Group W's and offering customers a 40-channel service for the same price.

How can they do it? Mobile Cablevision's manager, Tony Thompson, explains that they can "undercut" because "Group W was overcharging." Group W has responded as the classic theory of competition predicts—it began offering 30 channels for the same 12-channel price. The company has also begun to upgrade its services, starting, not surprisingly, in the neighborhoods where it competes directly with Mobile Cablevision.

Thompson is getting good at battling entrenched cable companies. He's led similar efforts in Baton Rouge and Hammond, Louisiana, and says he did "extremely well" in both cities. "I don't know of any city in love with its cable monopoly," Thompson told REASON. "For 20 years the cable companies knew nothing but monopoly. And you don't have to work very hard when you're the only boy on the block."

The two companies who share the block in Mobile are certainly working hard now. But Westinghouse Electric, which owns Group W Cable, may be finding the work too hard. It's decided to sell all its cable operations (except in Chicago).

Regulators who are paying attention should be scratch-

ing their heads over their battered natural-monopoly theories. Meanwhile, consumers can sit back and enjoy cheaper cable TV.

## Immigration Reform? What's to Reform, Ask Social Scientists

For as long as the public has been polled, a majority of Americans has looked askance at immigration. Of course, it's still a bit early to assess the impact of a recent REASON Trends report (April) countering common immigration misinformation... But a recent study by two Heritage Foundation researchers reveals that leading academics in the fields most likely to know the effects of immigration generally think it is good for America.

Researchers Stephen Moore and Rita Simon surveyed experts in anthropology, economics, history, political science, psychology, and sociology. They came up with two interesting findings: social scientists as a group are more favorable toward immigration than the general public; and among social scientists, economists are the most favorable.

"A representative 1980 survey," note the researchers, "found 66 percent of the public favored halting immigration altogether until the unemployment rate fell below five percent." In contrast, they found that over 80 percent of the social scientists surveyed (excluding economists) think immigration has had a positive effect on the nation's economic growth, and 86 percent think immigration has benefited American culture as well. A majority also reject the popular notion that recent immigrants, who come mostly from Mexico, the Caribbean, and the Far East, are somehow worse than the primarily European immigrants of earlier decades.

Compared to other social scientists, economists, who Moore and Simon contend "are perhaps best qualified to assess the impact of immigration levels on 'standard of living,'" are the most favorable toward allowing more legal immigrants into the country. Not one of the economists surveyed, including past presidents of the American Economic Association and past members of the President's Council of Economic Advisers, advocates lowering the level of legal immigration. This group of notables *unanimously* agrees that immigration has boosted US economic growth, and three out of four figure that even illegal immigrants benefit the economy.

"The purpose of this survey was certainly not to suggest that economic matters should be the sole policy concern," wrote Stephen Moore in a recent op-ed piece in the *Los Angeles Times*. "But when...anti-immigration groups contend, for instance, that employer sanctions will stimulate the economy by freeing up jobs for American workers, it

*Robert Hessen, Senior Research Fellow, Hoover Institution, proclaims* ***Liberalism: In the Classical Tradition*** *"the finest exposition of classical liberalism," and heartily recommends it as "the best introduction to Mises' writing."*

# LUDWIG VON MISES

***The foremost defender of capitalism in the twentieth century***

One of his most important books, now specially priced.

## LIBERALISM: IN THE CLASSICAL TRADITION

**A devastating critique of welfare-state liberalism.**

**Published at ~~$9.95~~—NOW AVAILABLE FROM LAISSEZ FAIRE BOOKS**

**FOR ONLY $7.95 Order code #LV0100**

*Please add $1.00 for postage and handling, or $2.00 for UPS ($2.00 for foreign orders). N.Y. State residents add appropriate sales tax.*

**This early work of the world-renowned economist has been called "indispensible" by Henry Hazlitt, author of *Economics in One Lesson.***

**★ ORDER TOLL-FREE ★ 1-800-238-2200 ext 500 ★**

**Charge your VISA or MasterCard • Continental US • 24 hours a day • 7 days a week**

**OR USE THE POSTAGE-PAID RESPONSE CARD IN THIS MAGAZINE**

***MONEY BACK GUARANTEE if for any reason you are dissatisfied with any book, just return it within 30 days for a refund.***

***Available from:*** **LAISSEZ FAIRE BOOKS, Dept. RB5, 532 Broadway, New York, NY 10012**

# trends

should be recognized that the economics community almost universally rejects this notion. On an issue as important as immigration, it would be a shame to base policy on false contentions."

## Some Trucking Relief in the Lone Star State

The nation's number-one private package-delivery service, United Parcel Service (UPS), finally broke into the Texas market earlier this year—after a *20-year* battle with the infamous Texas Railroad Commission (TRC) to gain approval of its application to do business in the state.

In 1980, Congress pretty much deregulated interstate trucking (between states, that is), but regulation of *intra*state trucking is still up to the individual states, which in most cases limit new carriers' entry into the market and put a clamp on rate competition among existing carriers. Thus far, only seven—Alaska, Arizona, Delaware, Florida, Maine, New Jersey, and Wisconsin—have deregulated trucking within their borders.

There are moves afoot, however, for greater intrastate deregulation. Transportation Secretary Elizabeth Dole, in her proposal to expand federal deregulation of interstate shipping, has included provisions to also block any further regulation of intrastate trucking by state authorities. And in Congress, several bills have been introduced to curtail states' ability to control trucking.

Consumers, of course, stand to benefit most from deregulation: unlike firms protected from competition by regulation, competing firms in an unregulated market face pressure to increase the availability of their services and to lower their rates in order to attract and keep customers. And that's not just theory. For instance, to ship a truckload of its corn chips from Lubbock to Irving, Texas (a regulated, intrastate route), Frito-Lay pays $2.57 per mile, whereas it costs the company only $1.48 a mile to ship the chips from Topeka, Kansas, to Irving, an unregulated interstate route. Similarly, in 1984 Procter & Gamble paid $430 to ship a load of detergent the 238 miles between Alexandria, Louisiana, and Houston, while it cost the company $612 to send the soap from Dallas to Houston, 243 miles.

UPS's long-sought entry into the Texas market doesn't mean that deregulation has come to the Lone Star State. But it's likely that a wedge has been driven into the stranglehold that the TRC exerts over the Texas market.

## Bypass on the Surge, Puts Electric Monopolies in the Hot Seat

The Holiday Inn at New York's LaGuardia Airport uses its own power plant to produce half of its electricity and more than three-quarters of its heat and hot water, saving some $90,000 a year in utility payments. At Sun Industries' Enderling, North Dakota, sunflower-seed-processing plant, generators burn seed hulls and chaff to produce all of the factory's electricity—plus enough surplus

# global trends

## Ciskei Results Pouring In, Another Homeland to Follow Suit

THE HARDY LITTLE nation of Ciskei, spun off from South Africa as part of the controversial "homelands" policy, continues its bold experiment in free enterprise. As first reported in REASON by John Blundell in April 1985 ("Ciskei's Independent Way"), a series of deregulatory measures beginning in 1984 has made the tiny country (less than a third the size of Vermont) a free-market haven. The corporate tax has been abolished. Hundreds of business regulations (and the race laws inherited from South Africa) have been repealed. The income tax is now a flat 15 percent on incomes over $4,000—which means that 95 percent of Ciskeians are exempt.

JOHN BLUNDELL

*Boom town: Low taxes and little regulation have turned the tiny African nation of Ciskei into a thriving pocket of enterprise.*

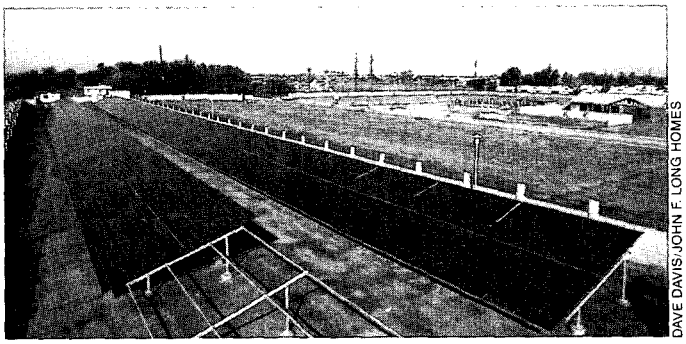
Spurred by the unfettering of the economy, Ciskei prospers. While neighboring states, including racist South Africa, are mired in the economic doldrums, as many as 70 new factories are expected to open their doors in Ciskei this year. The *South Africa Daily Mail* reports that the demand for labor is so great that workers are being brought in from outside Ciskei. Even the notorious city of Dimbaza, to which 25,000 blacks were forcibly relocated by South Africa in the mid-'70s, to the outrage of the international community, is booming. Unemployment is negligible in Dimbaza—the city of 50,000 contains 75 factories, with 30 more under construction. Throughout Ciskei, the deregulated taxicab industry has seen a 300 percent increase in cab drivers over the last year. One Ciskeian recently told business writer Ken Owen: "It reminds me of the early days of Taiwan."

And it looks like Ciskei may be in for some competition. Another of the homelands, KwaNdebele, which has been self-governing since 1981 and plans to go independent in December, has just accepted the policy recommendations of a white paper laying out an even

power to sell to the local electric utility for profits of up to $3,000 a day. In Modesto, California, the S&W Cannery incinerates peach pits and other debris to generate all the heat and electricity the cannery requires.

The phenomenon of commercial and industrial facilities producing their own steam and electricity, called "cogeneration," is sweeping the nation, with cogenerators now producing about 6 percent of the country's electricity. It's one way in which power users are escaping the grip of electric utility monopolies—and it's a key factor in the growing trend toward bypassing utilities, a development that may be the beginning of the end for these monopolies.

The trend is even spreading beyond businesses. An Arizona developer has created Solar 1, a solar-powered residential community in Phoenix. All 24 homes in the development are connected to an adjacent generating plant consisting of 132,000 photovoltaic cells arranged in 3,600 panels over a space of less than 10,000 square feet. The plant can produce enough electricity to meet the demands of the homes—and then some. Solar 1 residents avoid the $300-plus monthly for air-conditioning bills that plague most households in an area where summer temperatures routinely exceed 100 degrees, and they also receive about $25 a month per household for surplus electricity they sell to the local electric company.



DAVE DAVIS/JOHN F. LONG HOMES

*Sunny days: A solar power plant provides Phoenix's Solar 1 housing development with all the electricity it needs—and then some.*

And bypass is not the only way electricity users are getting around monopolistic prices. Some are turning to shopping around. The northern Illinois city of Geneva, for example, stopped buying power last year from Chicago's Commonwealth Edison when Wisconsin Electric Power offered rates 45 percent lower than Com Ed's.

Still other large power customers simply demand discounts from utilities on the threat that they'll build their own plant, move elsewhere, or close down unless they get some relief—and utilities from coast to coast are finding that they have little choice but to give in. Chicago's Com Ed now discounts rates for its largest 100 industrial customers. In California, Pacific Gas & Electric (PG&E), the nation's largest utility, recently announced proposed rate cuts of 23 percent for its big customers.

But with commercial and industrial users able either to cut deals with the monopolies or to bypass them altogether, the utilities will be forced to

## global trends

more solid free-market strategy for the country. Leon Louw and Eustace Davie of the Johannesburg-based Free Market Foundation have been appointed advisors to the KwaNdebele government. Instrumental in Ciskei's reforms, Louw and Davie hope this time to avoid some of the rough spots Ciskei has experienced (for example, with civil-liberties protections) by guiding the writing of a pro-freedom constitution rather than relying on the constitution obligingly provided by the South African government and inheriting its laws and regulations.

KwaNdebele, three times the size of Hong Kong, lies 35 miles north of Pretoria and another 30 miles from Johannesburg. Most residents who work, work in South Africa, commuting to Pretoria and beyond. If the homeland continues along the free-market path, however, it may soon be needing to "import" workers as Ciskei is doing now. The implications are interesting for the blacks who now struggle to survive in the troubled segregated townships near Pretoria and Johannesburg.

### A Far East Meeting of Free-Market Minds

SEOUL, KOREA– The site of the 1988 Olympic Games was home this year to the second annual Free Market Economy Symposium. The meeting, organized by the Institute of Economics and Management at the Korean University of Foreign Studies, was designed to promote an understanding of the theories and philosophy of the Austrian school of economics that has so influenced classical liberalism in the West in the last few decades.

I was invited to speak on the methodology of Ludwig von Mises, one of the leading lights of the Austrian school. Prof. Soon Cho, president of the Korean Economic Society and professor at Seoul National University, did the same for F. A. Hayek. There followed presentations on Mises's analysis of money and business cycles (by Prof. Pyung Joo Kim, of Sogang University) and Joseph Schumpeter's theory of interest (by Prof. Sang Jing Pyeon, of Sung Kyum Kwan University).

Many questions from the 50 participants centered around the differences between Austrian and Keynesian economics. Soon after the meeting, the group got an unexpected bonus—a MiG-19 fighter plane from Red China defected to a nearby airport.

The symposium was organized in 1984 by Prof. Byong Ho Park, president of the Institute of Economics and Management at the Korean University of Foreign Studies. Park has previously translated other Mises works and is currently translating *Human Action* into Korean.

A free-market movement is brewing in Korea, and we expect that the 1988 Summer Olympic Games will provide an opportunity to share information and experience with champions of freedom all over the world.

**—Toshio Murata**

make up for their losses by raising rates to those on the other side of the scale: residential consumers. It's the only way left for the monopolies to cover their costs and get the return on investment that government regulation says they're entitled to. Last November, for example, the Iowa Public Service Company of Sioux City raised residential rates by almost 15 percent while lowering some commercial rates by more than 19 percent, the *Wall Street Journal* recently reported.

Such moves will almost surely spark strong resistance from citizens' groups—and that's where observers figure the real push for the end of electric monopolies will come about. As more and more industrial and commercial customers bypass the monopolies, households will be hit with increasing rates, as utilities scramble to earn their allowed rate of return from a smaller customer base. When consumers rise up, the eventual target will be the very structure of utilities regulation—the grant of monopoly status that holds ratepayers captive to the utilities' fixed costs. Opening up the electric industry to competition will then be the only politically acceptable alternative.

Already, California regulators are considering a new approach to electricity rate setting. In a plan drafted last fall, the California PUC proposed shifting the risk of operating a utility from the ratepayers to the utility's investors (as would be the case under competition). Industry interests complain that investors won't be interested without a guaranteed rate of return—but that will mean even more pressure to put utilities on the same (competitive) footing as other businesses.

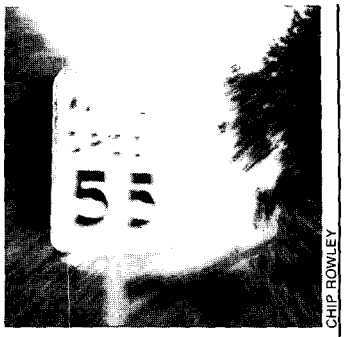
The booming cogeneration phenomenon is leading the way toward competition with its many, decentralized, often small, power plants that cost just a fraction of the huge, centralized power systems of the regulated utilities and take only a fraction of the time to construct. In Houston, for example, independent producers between 1983 and 1985 added more generating capacity than a large nuclear reactor. With such forces coming into play, the electric-utility industry seems headed slowly but surely toward a new era, one in which competition will replace monopolies and regulation.

## Americans to Uncle Scam: We Can't Drive 55!

The 12-year-old national 55 mile-per-hour speed limit continues as the object of civil disobedience. As transportation consultant Alan Pisarski detailed last November in REASON ("Deep-Six 55"), the original rationale for the law—energy conservation—has gone the way of OPEC. But 55, propped up by the feds' threat to withhold highway monies from states setting maximum speed limits higher than the double nickel, lives on.

With Washington politicos showing no signs of junking this turkey, fed-up citizens of at least one state are bypassing the politicians and taking matters into their own hands. Arizonans are currently gathering signatures to force a statewide initiative this November on whether the state should defy the feds and restore speed limits to their 1973 levels (up to 70 mph on rural interstates).

Arizonans need to collect 72,000 signatures by July 3



CHIP ROWLEY

to place the initiative on the ballot. Mike Kelly, chairman of the Committee for Efficient Transportation (COMET), which is spearheading the petition drive, told REASON that he is "pretty optimistic" the goal can be reached. Political columnist Pat Murphy of the *Arizona Republic* is emphatic: "You can bank on" the initiative getting enough signatures, he writes. (At press time, the anti-55 forces were more than halfway to gathering the requisite number.)

Popular contempt for 55 has enabled COMET to tap support from across the political spectrum. Ken Sturzenacker, an Arizonan active in the repeal movement, told REASON that the initiative is drawing "tripartisan" interest, as members of the Democratic, Libertarian, and Republican parties are working together to force a plebiscite on Washington's paternalism.

Other Western states are seeking less-direct ways around 55. The *Los Angeles Times* reports that North Dakota, for instance, assesses no "penalty points" against a speeder caught in the act at speeds 70 mph and lower. South Dakota, Kansas, and Minnesota are similarly kind to miscreants caught going up to 65 mph. And in freedom-loving Montana, the fine for *any* speed greater than 55 is just $5.

But all eyes in the speed-limit debate promise to be on Arizona in the coming months. Should the repeal effort there succeed, the Reagan administration will have to decide whether or not to make good on the feds' threat to cut off 10 percent of Arizona's federal highway funds. If the administration backs down, look for other Western states to follow Arizona's lead. Looks like an interesting case study in federalism is shaping up.

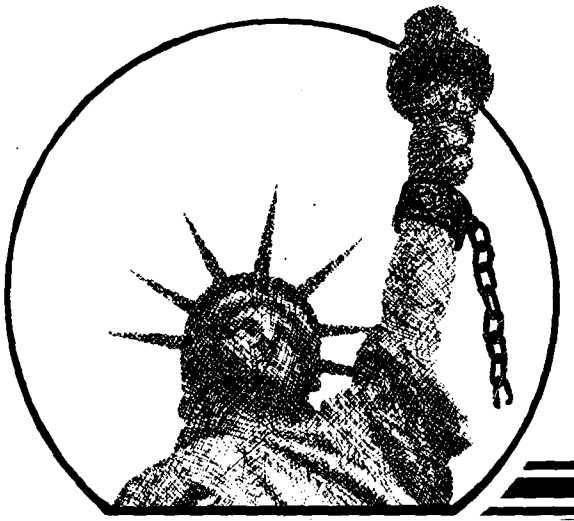
## Milestones

■ *Tax rebels aplenty.* Of the 100 million Americans who filed income-tax returns this year, some 38 percent probably "cheated," according to Peggy Hite, a business professor at Colorado State University. Hite surveyed taxpayers in several states and came up with a profile of the group most likely to doctor their returns: blue-collar male workers under 35 years old who don't like taxes. These citizens, like many others, "think it's only right that they should get as much as they can from the Internal Revenue Service," Hite noted, "because they feel like they aren't getting too many benefits back from the government." Hite also reported that 48 percent of the business entrepreneurs surveyed said they have fudged on their taxes.

■ *Rock and roll can never die.* A Maryland Senate committee has turned thumbs down on a proposal to prohibit the sale of "obscene" records to minors. Despite the protests of teenage nerds carrying signs reading "Rock Music Almost Ruined My Life," the solons affirmed the First Amendment rights of young people by a vote of 7 to 4.

***—Robert W. Poole, Jr., Lucy Braun, Bill Kauffman, and Eric Martí***

# *"Give me liberty, or give me death!"* —Patrick Henry



# No Time For Slaves

Would you dare to tell the truth about the answers to the political and economic turmoil in our country? Even after being personally assured by a prominent White House staffer that your solutions were the answer to our country's problems – but could not be implemented because they violated too many special interest groups – or were too Christian?!!

Best-selling author R.E. McMaster dares to reveal the truth in his first book since his blockbusters, *Cycles of War,* and *Wealth For All.* In *No Time For Slaves*, you'll learn:

- Why high taxes limit freedom and prosperity
- Why debt leads to slavery and death
- How economic slavery results in political slavery
- Why government is religion applied to economics
- Why bureaucracy is the greatest institutional manifestation of human evil
- What communism and capitalism have in common
- What distinguishes free men from slaves
- Why there is an 80% probability of WW III – and when
- Why we are at a momentous turning point in history

R.E. McMaster doesn't just describe the problems – he outlines for you specific and glorious solutions to the present dilemma. You'll find out:

- How to harmoniously meet your economic, security, self-esteem, love, and creative needs in an environment of freedom
- The answer to the ultimate political question
- How everyone can win
- The mechanics of an honest economic and banking system
- The one religious answer that solves our political and economic problems
- How abundance and peace can be the condition of all mankind
- Why there is no conflict between serving God, serving your fellow man, and serving yourself
- Why war is unnecessary
- What it takes to be really free

## What world political, religious, and economic leaders say about R.E. McMaster

***"There is no doubt that the information passed on to us, when properly applied, can create a model government for any country."***
—Hon. W.N. Bodden, MBE
Office of the Principal Secretary
Grand Cayman, Cayman Islands B.W.I.

***"The cabinet officials and business leaders with whom you met have been very impressed by the clarity and reasonableness of your perspective. The advice you contributed will be very helpful in the decisions we will be making in the future."***
—Jose Efrain Rios Montt
Presidente De Guatemala

***"I am sure your philosophy of taxation is correct."*** —The Hon. J.J. Carlton
Shadow Treasurer, Parliament of Australia

***"A highly knowledgeable Christian economic and financial consultant."***
—James F. Durkin
Director, Gospel Outreach

***"R.E. is a righteous man; disagree with him, you may, but respect him you must."***
—R.J. Rushdoony
Director, Chalcedon

***"Mr. McMaster will make a great contribution wherever he is asked to lecture on economics and to analyze and interact with practical economic realities."***
—Martin Essenburg
President, Covenant College

***"Personally, I always learn something from this brilliant fellow's writing."***
—Richard Russell
Editor, Dow Theory Letters

***"Those who want an in-depth look at what America's real thinkers are saying will do well to read R.E. McMaster."***
—Charles Walters
Editor, Acres, U.S.A.

***"Timing is McMaster's forte."*** —*Business Week*

***"A political soothsayer and advisor."***
—*The Wall Street Journal Report*

## Unconditional Money-Back Guarantee

*No Time For Slaves* should become one of the most important books in your library. It's a book you'll want to read again and again. It's a book you'll want to share with your friends and relatives, children and grandchildren.

We are so certain that you will be completely satisfied with *No Time For Slaves* that we offer an unconditional money-back guarantee: If, for any reason, you are dissatisfied simply return the book undamaged, in its original package, and we'll send you a full refund, NO QUESTIONS ASKED!

## Meet the Author

R.E. McMaster is one of only 80 analysts invited to join the prestigious Library of Congress "think tank" on economic and military matters in 1978. In 1981, he was invited to become an elite Republican Eagle, one of only approximately one thousand people who had access to the White House and Congress as needed. Mr. McMaster's international financial and economic advisory service, *The Reaper,* was voted *most valuable* in a 1981 survey of the nation's 135 most successful brokers at the top ten investment firms. He serves on the steering committee of the interdenominational National Coalition of Revival. He has been featured in *The Wall Street Journal, Business Week, U.S. News & World Report, Changing Times,* FNN, TBS, CBS, NBC, *Spirit, Christian Life, The Chalcedon Report, Mother Earth News,* and *Acres, U.S.A.*

**CHARGE IT TOLL-FREE 1-800-528-0559**

**YES!** I need to know the real truth about political and economic freedom. Please send me _____ copies of NO TIME FOR SLAVES @ $14.95 ea. hardcover (includes postage and handling). Enclosed is my check or charge in the amount of $ _____.

☐ MasterCard ☐ Visa Exp. date _____

Card# _____

Signature _____

Name _____

Street Address _____

City/State/Zip _____

Please make checks payable to NO TIME FOR SLAVES and remit to **Reaper Publishing, P.O. Box 39026, Phoenix, AZ 85069.** US funds only. *Overseas orders add $5. extra postage. Allow 4-6 weeks for delivery.*

RE-0686

# *Thailand: Where the people chose prosperity*

# Welcome to the Domino that Didn't Fall

*by* Maurice M. Tanner

"I don't like it any more than you do, but there is nothing we can do about it. The Vietnamese can take this country any time they want to. If they march across the border, they'll be in Bangkok in two weeks. But they won't have to do that—they'll do it the easy way. They'll step up the insurgency and wait until the country falls like a ripe mango."

It was 1977 and a colleague and I were arguing over the future of Thailand, a country where we had both spent a fair portion of our Foreign Service careers. We both spoke the language, and we both had reputations as bright, albeit somewhat eccentric, Thai country experts. We were in total disagreement.

"You're selling the country short," I argued back. "There is no way that 45 million Thai are going to let themselves be put in the same bag with the tragedies that have happened next door."

"You're being naive," he told me. "Look what the insurgents have going for them. They have hundreds of miles of shared border with Laos and Cambodia. They have a dedicated cadre that's been in place for 15 years and a new group of intellectuals and student leaders that the '76 coup drove into the jungles. Worse yet, they will have all those M-16s we left behind in Vietnam. It will be the best-armed insurgency in the world."

He wasn't the only one making predictions of doom back then. Just about all of the international experts on insurgency were convinced that things looked grim for Thailand. The Communist Party of Thailand had everything that Mao said it would need for victory. Besides the arms and the cross-border sanctuaries, there were masses of rural poor with good reason to distrust and hate government officials. The insurgents faced a national army that was more a political party than a fighting force. The Thai government seemed to be in a state of constant chaos, bouncing back and forth between attempts at elected parliamentary government and sudden coups followed by military dictators.

Even so, I was convinced that the other experts were wrong, for they were ignoring the impact that a free-enterprise

PHOTOGRAPHS - MAURICE M. TANNER

system was making on the country, especially the rural populations that were supposed to be the primary recruiting ground for the insurgency.

*Back in those* days, about the only people I could find who agreed with my assessments were a few Thai officials and businessmen. One of those was Khomson, a jeweler in Bangkok.

"Too many people believe what they read in the paper," he told me one evening over a Peking duck. "Thailand's the place to invest your money these days."

"Then why are so many people moving their capital out?" I asked.

"I've got some friends that are getting their money out of the country," he answered as he carefully used his chopsticks to wrap a bit of duck skin in the rice-flour tortilla. "They're crazy. You don't make interest off a Swiss bank account."

"You mean, you think that this country is going to survive?"

"Absolutely," he told me. "Ninety percent of the people in this country don't want anything to do with communism. Sure, a lot of them are scared because of what happened in Vietnam, but that doesn't mean they will roll over and play dead."

"I hope you aren't counting on the Americans moving in and saving you," I said. "We tried that in Vietnam and it didn't work."

"We won't need you," he answered. "We can do it ourselves."

My chubby friend with years of good living wasn't volunteering to go out in

***With rice to harvest, cabbages to sell, and iron buffaloes to haul them to market, farmers think about what to buy with their money, not revolution.***

the jungle to fight for his country. He was convinced he wouldn't have to do that. He knew something about his countrymen that the outside experts were ignoring.

The jeweler who bet on his own country is a rich man today. A lot of other Thai citizens who took similar risks and invested their money in local enterprises aren't doing that badly either. Despite all the apparent advantages, the Communist Party of Thailand lost. By 1983, the Thai government was legitimately proclaiming victory over the Communist insurrection. Today, everyone agrees that the insurgency is over, that Thailand will survive.

The Communists lost because massive quantities of weapons, cross-border sanctuaries, and a dedicated cadre are not enough if ordinary citizens refuse to participate. Power may come out of the barrel of a gun, but it requires people willing to hold and aim guns to exercise power. In Thailand, the Communists never succeeded in recruiting the masses of the rural population to the side of the revolution. They had the guns—they didn't have the people to pull the triggers.

Now that it is all over, the experts are arguing about why it didn't happen the way they predicted. Some credit enlightened Thai government policies, including extensive investment in economic development and an open-arms treatment of insurgents who surrendered. Others credit the China-Soviet competition, which forced China to drop its support for the insurgents in return for good relations with the Thai government. Some even claim that the US intervention in Vietnam saved Thailand, by giving the Thai the breathing space they needed to solve critical national problems while massive US spending in the country during the Vietnam War years added an economic boost.

They all miss the point. Thailand was never in the danger the counterinsurgency experts claim it was in.

In making their predictions of imminent disaster, the Cassandras ignored the 90 percent of the Thai population who never saw a Communist, never took a pot shot at a government official, and continued through it all to live lives dedicated, not to some political ideology, but to making themselves and their families as comfortable as possible.

*I first became* aware of this other part of Thailand shortly after my arrival in Bangkok in 1967. Of a class of young State Department officers just out of language training, I was the only one who was not assigned to one of the counterinsurgency jobs in our expanding diplomatic effort to ensure that Thailand didn't follow the Vietnamese example.

Disappointed by having to worry about the size of rice crops, the impact of American military spending on the local inflation rate, and the problems of Bangkok Port congestion instead of being out on the front lines of the free world like my colleagues, I worked out my frustration by taking weekend trips into the rural provinces around Bangkok. A day's travel could include a train trip behind a wood-burning steam locomotive, a run down a river in a double-decked boat, even a long-tailed speedboat dash through a canal. I talked to dozens of passengers as we bounced down rutted roads or glided along the smooth, muddy-brown waterways.

I didn't find people seething with hate and discontent over the unfairness of life, people looking for an excuse to start killing somebody. I found people who were worried about rice prices and curious about a foreigner who spoke their language. I found people who weren't content with today but who had plans to make it better; people who loved to play but worked hard when they had to.

In every village and town I visited I found small markets stocked with a surprising selection of basic consumer items and a lot of things I would have thought would be luxuries for the farm population—radios, sports equipment, toys, and watches. I had discovered a rural society that looked poor at first glance but turned out to be a demonstration of how a free-enterprise system can meet the demands of rising expectations.

By the end of my first four years in Thailand, I had visited every one of the 72 provinces. Along the way my travels introduced me to farmers, local officials, and small-town businessmen.

*Somchit the* medicine man was typical of many of the small businessmen I met back in those days. He lived in one of the larger rural towns of Lopburi Province, where he owned a factory located behind his house in a building that looked like it should be roosting chickens rather than a pharmaceutical operation.

Inside the old wooden building, we found a half-dozen workers mixing various white chemical powders together in washtubs. The different chemicals were being shoveled out of 50-pound bags. The chemical factory labels on the bags revealed that Somchit's special medicine was an aspirin-based headache powder. His workers were packaging individual dosages in tiny paper envelopes that carried his own special brand.

It was labor-intensive, but even with the low wages he paid his workers, Somchit couldn't compete with the provincial city pharmacies and their displays of machine-packaged pills.

So Somchit had to go out looking for customers in places that didn't have corner drugstores. He made his money by personally peddling those single-dose envelopes in villages and small towns throughout the Northeast, the very heartland of the supposed insurgency explosion. With a small magic show and a couple of large, defanged king cobras, Somchit drew crowds to listen to his sales pitch.

"What about the Communist insurgents?" I asked him. "Isn't it dangerous to go into these kinds of areas?"

"As long as I mind my own business, they don't bother with me," he shrugged. "I guess they have headaches too."

There was an army of those small merchants traveling throughout the rural areas of Thailand, selling anything that would make a profit. They offered aspirin, vitamins, toothpaste, soaps, cough remedies, and Ovaltine—anything a villager might want and a few more things the villager didn't even know about until the merchant showed up with a sales pitch.

These itinerant merchants didn't just sell things that had the approval of government planners and social engineers. The businessmen were out there for their own profit, and they sold what people wanted. If rural dwellers wanted nylon panties for their wives and cheap whiskey for themselves, that's what they got, if they had the money to pay for it.

These merchants were feeding the very thing the government was supposed to be worried about, the tide of rising expectations. With an evening's entertainment and a sales pitch, they were creating more unhappiness and unfulfilled wants than a month's worth of propaganda on the Communist radio station broadcasting out of China.

Yet the unhappy Thai farmer who wanted some of the goodies that the merchants were offering didn't go into the jungle and join the Communists. Instead, the potential customer worked to make a bit more money so he could buy the next thing on his growing list of wants.

*Because there* were things the rural dwellers wanted to buy, there was an incentive to make their own labor more efficient, whether by increasing yields, adding new crops, or reducing the amount of labor used on the farm, thus freeing family members to find jobs in towns and cities.

Farmers trying to increase profits so they would have cash for consumer goods discovered that pesticides, fertilizers, and herbicides were cost-effective. Their teachers were not the bureaucrats but merchants—often people at an income level not much above the farmer—who went into the villages to sell the chemicals. Those small merchants also lent the money to the farmers to buy what they were selling, taking a short-term mortgage with the crop as collateral.

They didn't do that for altruistic reasons. They charged discount or interest rates that the social engineers called usurious. But they were there with money in their hand, sometimes in areas where the government didn't go because of insurgent activity.

I wasn't the only American official who recognized that free enterprise was running rampant in the countryside. In 1972

**If rural dwellers wanted nylon panties for their wives and cheap whiskey for themselves, that's what they got.**

the US Agency for International Development (AID) sent one of its young interns to Roiet Province in the Northeast. His assignment was to look into the possibilities of AID funding a project to develop the rural marketing infrastructure.

"What I found," he recently told me as we reminisced about the old days, "was a well-developed marketing system already in place. The Sino-Thai merchants were traveling all over the province, buying the crops the farmer had to sell and offering farm supplies and consumer products the farmer wanted to buy.

"I wrote a report concluding that a marketing system project wasn't needed, that an effective system already existed. My supervisors told me it was a good report, except for the conclusions. They wanted me to keep the data but to change the results so the report would justify the creation of a project proposal."

Fortunately, the man refused to change the conclusions. The idea of a project was buried in the massive bureaucratic paper pile we produced as part of our development aid to Thailand.

*As farmers looked* for ways to increase profits, cheap farm machinery began to replace animal and human power. Again, it was the merchant and entrepreneur who had what the farmer wanted.

In the late '60s, the United Nations development agency in Southeast Asia at the time, ECAFE, announced a contest to design a machine that would replace the water buffalo.

"We want a machine that a family can use just like they use the water buffalo," the contest's creator explained to me while we chatted over scotch and sodas at one of the endless parade of diplomatic cocktail parties. "It will have to be able to run in flooded rice paddies so it can be used to pull a plow. But it will also move along a highway carrying goods to market."

**The best entrepreneurs are those who make the best insurgents—those with daring and initiative.**

The international bureaucrats eventually judged the winner a contraption based on an unsuccessful military rice-paddy vehicle. It was a square, open personnel carrier that ran on six balloon tires, three on each side. It may have been fun to ride in, but it was useless as a plow and far too expensive for the average family to buy for a drive along the highway.

While ECAFE was using blind men to redesign the elephant, some businessmen introduced the "iron buffalo," a cheap, low-horsepower gasoline engine mounted on a hand-guided plow with steel paddle wheels. The engine can easily be removed and mounted on a water pump or a simple tractor that can pull a wagon loaded with family or produce along the highway.

In June 1978, I drove through the province of Sukhothai along with a Thai advisor on my staff. The province contains some of the richest rice land in the country and it was planting time.

"Have you noticed?" my Thai friend asked after we had been driving for a couple of hours. "We must have passed at least a hundred farmers plowing their fields and we haven't seen a single water buffalo pulling a plow."

In just five years, the entire province had moved to the iron buffalo.

*The introduction* of new crops was as important to increasing farm income as new machinery and chemicals. In the early '60s, Thai farmers grew rice and not much else. Between 1965 and 1968, corn production jumped from nothing to become a major export crop. Farmers started growing jute, cotton, tapioca, and sugar. Many of these new crops could be grown in the dry season when the rice paddies had always lain fallow.

The spread of these new crops was not the result of any massive government extension program. It was directly tied to the world market and to the small merchants who went into rural areas to buy the crops when the farmers grew them.

When extension work was done, it was often done by the private sector. The international tobacco industry showed the way. The world market demanded a new source of Turkish-style tobacco, a labor-intensive crop. To meet that demand, tobacco companies like Adams International put in place privately financed extension programs that soon taught thousands of farmers in the Northeast how to grow high-quality Turkish tobacco.

With the bottom dropping out of the world rice market these days, the search for new crops continues. Only last year, I went with some representatives of the Simplot Company, a US potato processor, to visit potato farmers in northern Thailand. Simplot was interested in introducing the russet potato to meet the demands of the new fast-food industry that has now reached Bangkok. McDonald's wants to serve the Thai customer the same kind of french fry he ate while studying or touring in the United States. That translates into more income opportunities for Thai potato farmers.

One of the American commercial agronomists traveling with us was surprised to find himself discussing a brand-new and more expensive variety of herbicide with a little farmer dressed exactly like the peasants in the pictures of a travel brochure. The farmer not only knew what the herbicide was, he had already purchased a small amount from a local supplier and tried it to see if it was cost-effective. It wasn't a government extension agent who told him about the new chemical—he had read the advertising at his local farm-supply store.

*Not every rural* dweller can make extra money by planting new crops or increasing yields. Many of those who wanted new things had no choice but to leave the farm and go looking for work. Sometimes that meant a job found a long way from home. Take the case of Huan Pakpok. Huan, like thousands of other Thai men, went all the way to Saudi Arabia to find a job.

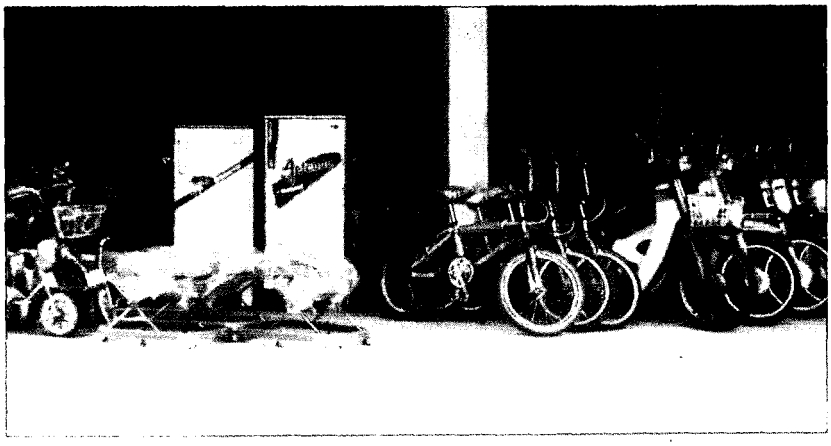
"It was the most miserable two years I ever spent," he recently told me. "The Saudis don't let anyone have fun. No whiskey, no women—it was nothing but work, eat, sleep, and back to work."

He may have been miserable, but every month he sent back $350, and his wife put most of it in the bank. He's been back in Thailand for a year now. He runs his own small carpentry business. He and his wife still live in the house where he grew up, a wooden shack that sits on high stilts. But they have fans, a kitchen blender, a radio, a refrigerator, and a brand-new color TV. Huan is also the one who can afford store-bought whiskey when someone throws a party in the village.

Huan and the other Saudi contract workers also helped solve a national problem: the foreign exchange disaster caused by the sudden jump in oil prices in the '70s. It was the private-enterprise solution. Thailand traded labor for oil.

Not everybody benefited, not everybody succeeded. But those most likely to succeed in a freewheeling private-enterprise system were the people who would have made the best insurgents, the ones with daring, initiative, and a willingness to try something new.

*The free-enterprise* system came naturally to Thailand. For hundreds of years the Thai kings encouraged trade and provided protection to merchants moving through Thai territory. As Thailand was never colonized, it never suffered the interruption of free trade and commerce that was imposed by European governments in the other



***Getting ahead: a Thai farmer learns about growing future french fries for McDonald's, merchants sell farm-fresh vegetables, a provincial store offers an array of consumer goods.***

countries of Asia.

Following the end of the monarchy in 1932, Thai civilian leaders, many of whom had been thoroughly exposed through education to European statism, attempted to impose a more centrally controlled order on the Thai economy. Fortunately, such efforts failed to have much impact, in part due to the greed of the economically unsophisticated military officers who held controlling political power and who quickly discovered the personal benefits to be reaped by looking the other way when statist laws interfered with a businessman's profits.

None of this is to say that the government had nothing to do with meeting the rising expectations of the rural population. Things like irrigation and rural electrification projects benefited rural populations and encouraged the growth of private enterprise.

The single most important government contribution was the massive road-building program implemented over a 20-year period. Initially, road building was financed as a security measure. The government had to get troops and tanks into the areas where the insurgents were recruiting villagers. The army used the roads occasionally. But an army of merchants used the roads continually, usually before construction was even completed. During the worst of the insurgency, the merchants would go places the army didn't dare go.

The highway from Phitsanuloke to Lomsak was one such road. It cuts through a valley that separates two mountain areas in northern Thailand, where in 1972 and '73 some of the most vicious fighting in the war against the insurgents took place.

It was 1977 before the US Embassy finally decided the road was safe enough for Americans to travel, provided we did so in unmarked civilian vehicles. By this time, I was assigned as the consul in northern Thailand. On my first trip through the valley between the two mountains, still held by the insurgents, it was easy to see what had happened.

The road had opened up a new area for land settlement. Landless farmers quickly moved in to squat and plant crops. The merchants followed them, both the ones who came to buy and sell for the day and those who set up small stores, restaurants, gas stations, and even movie houses.

According to Maoist revolutionary doctrine, all of those people, most of whom had gone broke someplace else before moving into the area, should have been prime candidates for recruitment into the insurgency. Instead, they were more interested in growing and selling cabbages to the long line of merchant trucks traveling up and down the highway. Each new arrival in the area helped to build a corridor of farm villages and small-merchant towns that cut apart the insurgent armies on each side of the valley more than any number of military battalions ever could have done.

## *Using the free-*

enterprise model, from 1960 to 1984 Thailand experienced sustained growth averaging 7 percent in real terms. It wasn't an evenly distributed growth, and the cities prospered far more than the rural countryside. The rich got richer, and the gap between the rich and the poor grew broader. But not all the poor got poorer. They did discover wants they

never had before. They weren't able and still aren't able to fulfill all those wants. They never will be. But the average family can count on acquiring something new every year.

First it might be the medicines. Next, cloth and clothes made in a factory instead of by hand. Then come bicycles, transistor radios, wristwatches, and for the most successful, motorcycles, TV sets, and even an occasional pickup truck. A free-trade policy ensures that almost anything they might want is available.

A short history of private enterprise in rural Thailand could be written just focusing on the exploding sale of corrugated tin roofing. In the 1950s, almost all rural farmers lived under thatched roofs. As merchants began selling sheets of corrugated tin, the tin roof became the status symbol in farm villages all over the country.

By the late '70s, thatched roofs were rare in many parts of the country. At a wedding party in Chiang Mai one evening, I sat at at table with a couple of businessmen who had made small fortunes from tin roofing. I jokingly asked them what they were selling now that everyone had a tin roof.

"Linoleum," one of them quickly answered. "That's where the money is these days. Every woman in the North wants a pretty floor covering." The other fellow joined in, and I sat there fascinated as they argued over the merits of different types of floor coverings and whether or not Japanese, Korean, or the locally produced product brought the most profit to the businessman.

Now, several years later, plastic or asphalt-based floor coverings are almost as common as the tin roof. Who knows what the Thai farm housewife will decide she wants next? The person who discovers that valuable piece of information will not be a government planner.

## *Development on the*

free-enterprise model is not without its problems. Most Thai farmers, like farmers everywhere, still live on the brink of disaster, facing ruin from weather, unstable world-market prices, and just bad judgment.

The less successful farmers are losing their land to more productive neighbors and are forced to seek work in the cities. Bangkok slums are filled with those who came to the city hoping for jobs they sometimes can't find.

The social ills of a free economy have taken their toll on families and individuals. Slum children spend their days selling flowers to Bangkok motorists instead of taking advantage of free education. The daughters of rural families often sell themselves, or are sometimes sold, into prostitution.

***Small-time merchants pile bags of fertilizer on their bicycles for delivery to farmers. If all goes right, they'll make a profit.***

Yet even here the free-enterprise system can offer solutions, if people are only willing to try. Take the Paknet family as an example. It may not be a typical rural Thai family, but it's the family I know the best, since the youngest daughter paid me the great good favor of becoming my wife.

Plod and Samniang Paknet were successful rice farmers in rural Ayuthaya Province until Plod died of tuberculosis back in 1954. His widow and a couple of the children tried to work the farm for a few more years but ended up selling out. Today, none of the children work on farms or are married to farmers. They all had to seek jobs as servants in the homes of the rich in Bangkok or as workers in nearby textile mills or furniture factories.

Some might describe the story as another rural tragedy, the kind of thing that breeds insurgency. It's not. All the children have families of their own and high hopes for their own children. They are too busy climbing into Thailand's new urban middle class to worry about what might have been. They are doing it without benefit of welfare payments, unemployment compensation, farm subsidies, government-financed loan programs, or any financial support from the one daughter who married into money.

Samniang still lives in the old family house, which she managed to keep when she lost the farm. Her son, who works in a small factory a few kilometers from the village, and his wife live with her. An American social worker would describe their house as an example of abject poverty. They sit on the floor to eat and the meals are cooked over open charcoal fires. Samniang doesn't think she's poor. In the last 10 years, she's acquired electricity, fans, a TV set, a refrigerator, and spray cans of Off mosquito repellent.

I have met people like the Paknet family in every province of the country. They know that living free is neither safe nor easy, but that's the only way they want it. When people like the Paknets fail in rural Thailand, they place the blame on themselves or forces outside the control of human beings. They don't blame the government for having failed to provide for them. Of course, there are some who do. Every society has its malcontents, and the foreign journalist out to prove a point can always round up a few people eager to complain about the inequalities of life, which must all be the fault of whoever currently holds power in Bangkok.

Somehow critics of free enterprise in the Third World never seem to find people like Khun Thongbai to interview. Thongbai's family never had any property, at least as far back as anybody in the village could remember. The village still talks about how poor he was as a kid. He went to school in rags and bare feet. Somewhere along the way, Thongbai scraped together enough baht coins to buy a few eggs from another villager. He walked into the nearest town and sold them for a small profit. That worked so well that he kept doing it. Eventually he earned enough to feed himself a bit better than he was used to, though he kept living poor.

He lived so poor that no one imagined that he was saving a bit of money each

week—until the day he put in the high bid on a piece of property another villager was selling. Thongbai doesn't buy the eggs he sells these days. On that piece of land, he has 5,000 chickens in modern coops that lays eggs for him. His two trucks haul the eggs to market.

## *But there were*

insurgents. The Communists had to have something to entice young men and women into the jungle to fight. They couldn't have all been common criminals and psychopaths. Something must have been wrong to keep the size of the insurgency growing through the '60s and most of the '70s.

The first point that many of the foreign experts tended to ignore was that the insurgency was only developing in the more-remote areas of the country, places where lack of communication and poor crop land made it very difficult for the free-enterprise system to operate—not impossible, just difficult. Frustrations in these depressed areas did lead to higher levels of dissatisfaction. Sometimes, people got so angry and frustrated that they wanted to kill somebody.

While the developing insurgent situation obviously required a military response, few assessments were ever made of whether or not the same kind of discontent that was feeding the insurgency in the remote areas of the Northeast also existed in the more heavily populated areas. It was accepted almost without challenge that Thai people everywhere were fed up and that the insurgency would spread under its own force unless the government took drastic action.

There were a few American voices that questioned the general assumptions. One of my colleagues in the embassy's political section in 1968 did an assessment that concluded that the Thai rural population was not seething with open discontent. His report claimed that the free-enterprise system that had long been in place was meeting the rising expectations of the populace. People were opting to work harder rather than drop out. They were trying to find new jobs, plant new crops, and try new kinds of economic activity rather than pick up their guns and go into the jungle.

The report made it all the way to Washington and drew considerable comment and quite a bit of challenge for a few weeks. Then the experts went back to counting the few hundred villages that had fallen under Communist control and forgetting about the 10,000 villages where the game of free enterprise still played.

At least a few Thai businessmen and government officials understood that the average village peasant wanted nothing more than to be left alone to make his own decisions. They realized that free farmers considered the political agitators as much a threat to their personal peace as did the government officials sitting in Bangkok.

***The rich get richer: the owner of a new tin roof dries thatch that she'll sell to those who haven't yet moved up to tin roofs.***

On a cold (for Thailand) January evening in 1977, a colleague, the British consul in Chiang Mai, and I were invited to a small party thrown by a local businessman at his vacation cottage high up the mountain overlooking the largest city in the North. The other guests included the deputy governor, the provincial police chief, and several other businessmen.

Late in the evening, after we had stuffed ourselves with minced pork and chili and bet on the outcome of a fight between two horned beetles locked in combat on the field of a sugar-cane stick, the talk turned serious. The officials and the businessmen were worried about reports that some of the students who had fled into the jungle after the October 1976 coup were working in the villages around Chiang Mai, trying to recruit local youth into the insurgency.

The Thai men all agreed that the village leaders didn't want the students around, but they didn't have adequate equipment to defend the villages. The solution was obvious and the bargain was struck. The businessmen agreed that each would donate a substantial amount of money to purchase weapons, and the government officials agreed to make sure the weapons got distributed to the villages that the student activists were threatening.

My British colleague, who also spoke Thai, and I sat there with stunned expressions on our faces. Our insurgency experts in our embassies in Bangkok were screaming concern about the weapons that were supposedly flowing across the border out of Vietnam, yet these local community leaders were going to pass even more weapons around the rural villages! Those Thai businessmen understood something that we Americans seemed to have forgotten. Free people can be trusted with weapons, because 99 percent of them will use those weapons to ensure their own freedom, not to threaten the freedom and property of others.

## *In explaining why*

some young people joined the insurgency, one factor in recruitment that was often ignored was the role of boredom. Rural Thailand had always been subject to massive underemployment. This meant that people had lots of time on their hands, and life in a remote village can be pretty dull if you're young and adventurous but see nothing ahead but long days and quiet evenings.

Some jumped at the chance of adventure the insurgent recruiters were offering. Many of those who went singing into the jungle eventually discovered that they had made a bad deal. Life in a jungle camp proved to be more than just dangerous; most of the time it was even more boring than life in the village had been. At least in the villages, one didn't have to put up with the constant propaganda harangue and the strict rules of personal behavior that the insurgent leaders im-

posed on their troops.

Right at the time that the pessimist was predicting a Communist victory, the Communist Party of Thailand was suffering massive defections. Whole units were following their leaders over to the government side. The Communist Party of Thailand not only failed to recruit the peasant army they had counted on, but the party eventually lost those they did recruit.

Long before the final victory, an astute observer could see it starting to happen. As early as 1973 we were seeing a rash of defections from the insurgent camps in southern Thailand.

"What am I supposed to do?" one intelligence officer complained to me one day in Songkhla as he pointed to a pile of defector interrogation reports on his desk. "The boss wants me to go through these reports and come up with an erudite political explanation for the defections, something we can use in designing a psy-war campaign to encourage more of them. They'll think I've gone 'round the bend if I tell them the truth. It's lack of nooky."

"You mean they're defecting because they want to get laid?" I asked in disbelief.

"That, and everything else you can get in a city but not in a jungle camp run by Maoist puritans," he answered.

The Communist Party of Thailand offered the young men and women who were bored with the monotony of village life the challenge of the jungle, the chance to get even with the oppressor government, training in how to shoot a gun and ambush a military convoy, and the promise of a brave new world.

The free-enterprise system offered them movies, cheap bus fare to the big city, pop music, blue jeans, running shoes, Ovaltine, Fab, contraceptives, and Vicks Vaporub. In massive numbers, the disgruntled opted for the temptations of the modern world.

*In 1983, I* accompanied some Thai government workers on a walk into a Hmong hill-tribe village in Nan province. The people living in that village had fought for 10 years with the Communist Party insurgency. They had only just surrendered to the government side when we made our visit.

We spent the night with one of the villagers, his two wives, and his children. For 10 years, his crops had fed Communist insurgent soldiers. Two of his daughters had been trained in China as jungle combat nurses. As we sat passing around a small bottle of whiskey, one of the Thai officials asked our host why he decided to defect.

***She's poor and a minority—a perfect candidate for the insurgency, except she saw this great umbrella for sale . . .***

"It wasn't any fun being an insurgent," he told us. "Somebody was always ordering us around. Now we do what we want to do. We can sell things we grow. We can take the money and go to town. We can buy anything we want."

The next morning we walked out with him to his fields. It was the off-season, so the rice had been harvested and the money crops planted. He was growing ginger, cotton, and kidney beans. His wives and his daughters were collecting sweet seeds that grew wild in the jungle and brought a good price in the nearest town.

Our host was ambitious, not content. "We have to sell our crops to the man that drives the truck up here," he complained. "We know what he gets in Nan City, but we don't have any way to get them down to market ourselves. We have to sell at his price."

One of the Thai officials in our party suggested that he and his neighbors in the village pool their resources, set up a cooperative, and buy their own truck. Our host listened politely, then shook his head. He had been part of a grand cooperative for 10 years, sharing equally what he produced with all in the group. He didn't want any more of it.

"I've got it figured," he explained. "In three years I can save enough to make a down payment on a used pickup. Then, I'll make the money." He was probably a damned good insurgent; he was a lousy Communist.

The Thai example has important ramifications for other parts of the world where the United States places its prestige on the line. Too often the American public judges the prospects of an allied country not by what is happening with the 90 percent of the population that is busy looking out for themselves and their families but by the small, vocal group of malcontents who demand an instant remake of society and government solutions to all social and cultural ills.

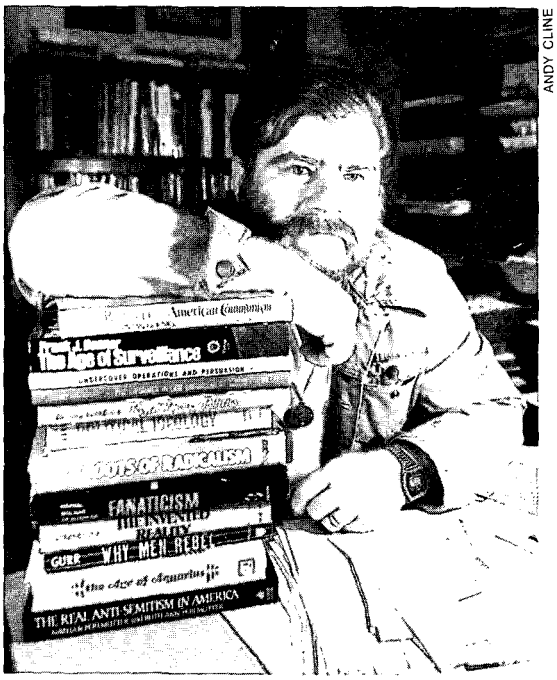
Too often our press and political leaders judge the worthiness of another government for our support solely on the basis of how closely their electoral system matches our own. Too often, once governments are elected, the leaders decide that the only way they can compete with the Marxist challenge is by adopting Marxist principles. And all too often, they are encouraged to do so by the development "experts" we send out to advise them.

Such countries then embark on programs of unsound and uneconomical land reform, currency and exchange controls, public housing, artificially depressed basic commodity prices, and farm subsidies, all accompanied by major tax increases and massive international borrowing to pay for the programs. They justify such state-controlled programs by claiming that if wealth is not redistributed by the elected government, then the poor will fill the ranks of the insurgents. Too often, they only succeed in preventing the private sector from engaging in the activity that is necessary to meet the demands of the ordinary citizen, who wants to get some of the benefits of the modern world.

It's time we learned one of the most important lessons of the Vietnam era, the one taught by Thailand. The free-enterprise system does work. It offers the only way in which a society can meet the demands of rising expectations without the tragedy of violent revolution. ◻

*Maurice M. Tanner serves in the US diplomatic corps in Bangkok. Since 1967, he has spent a dozen years in Thailand in various diplomatic positions, including that of consul.*

# Part-time Commie, part-time Klansman, full-time observer of the far-out.



ANDY CLINE

## Meet Laird Wilcox

by *Andy Cline*

Members of the Ku Klux Klan think Laird Wilcox is a Commie stooge. The Communists think he's a fascist lackey. But Laird Wilcox considers himself anti-ideological, a self-styled rational man who maintains that ideologies are a substitute for critical thinking.

Wilcox thinks about radicals, extremists, and ideologues of all stripes. Since age 16, he's spent his intellectual energies trying to figure out why members of extremist groups think what they think. Over the years he has subscribed to their journals, attended their meetings, marched in their demonstrations, and even written their propaganda.

That commitment produced the Wilcox Collection of Contemporary Political Movements in the Kenneth Spencer Research Library at the University of Kansas. It is one of the largest collections of extremist literature, brochures, books, correspondence, and speeches in the world.

Wilcox, 43, now runs an editorial research business from his Olathe, Kansas, home and handles requests for publications about extremist groups

*Taking it to the streets: Public demonstrations are a favorite pastime for extremist groups like the racist Ku Klux Klan (above) and the Revolutionary Communist Party (left).*

from such clients as the *New York Times* and CBS. He also publishes two annuals: *Guide to the American Right* and *Guide to the American Left*. He tops that off with the *Wilcox Report* newsletter. He also has to make a living, which he does as a carpenter, and he's an active member of the union local.

The Wilcox Collection and Wilcox's own escapades on both sides of the right-left axis grew from an intellectually turbulent childhood. "I grew up in a family with a fair amount of intellectual intensity," he says. Various family members represented two political extremes. Political arguments were an everyday part of family life.

"I became sensitized to political and ideological issues when I was very young," Wilcox recalls. "I tried to understand how it was people could get so excited about these things, how they could become so upset about things that to me were mere abstractions. The idea that these were important matters was impressed on me at an early age."

During college, Wilcox joined the radical left, a political tradition he inherited from his father. He founded the Student Peace Union and the *Kansas Free Press* at the University of Kansas. He was active in Students for a Democratic Society (SDS) and the civil-rights movement. Then something happened.

What started out as a noble cause turned ugly. "When it came to the left," he now says of that time, "I'd never seen such hate in my life." He quit the movement as he saw it sliding into "mindless nihilism, self-destructiveness, and craziness."

In 1965, before leaving the university and joining forces with the right to complete his intellectual journey, he sold his collection of political literature to the university for $1,000, thus beginning the Wilcox Collection.

For a time he waltzed as an observer through such organizations as the Ku Klux Klan, the John Birch Society, and some fundamentalist Christian groups. He participated to the fullest and built his collection of literature of the right.

Then Wilcox began to straddle the line. One week he could be seen at a Socialist Workers Party meeting and the next marching with the Nazis. He became plugged in at the highest levels.

"I can talk anyone's bullshit," Wilcox declares. This apparently flip attitude cannot mask his devotion to the extremist mind he's come to know. From close contact with these groups, from befriending their leaders and working for their causes, he's formed a psychology of extremism that may one day take book form.

His Jekyll and Hyde abilities have sometimes got him into trouble. "At times I've forgotten where I was," he says—like the time he accidentally greeted a John Birch Society member at a JBS function as "comrade."

The KKK once issued a "wanted" poster for Wilcox after a scuffle in Chicago. Wilcox was driving through the city when he spotted a KKK rally and decided to stop for a look. First he spoke with a group of Klansmen, fitting in perfectly. Then he ambled over to a black police officer and struck up an equally friendly conversation—which Klan security men didn't find amusing. A scuffle ensued. Wilcox slugged a Klansman before police broke it up. The Klan labeled him a "cointelpro"—someone who spies for the government. The poster calls for Klansmen spotting Wilcox at any Klan function to alert the Klan security forces.

Wilcox is fond of pointing out the differences between extremists of the right and left. These days he's hammering hard on the left, because he sees greater oppression of rightist groups by the left and the government.

He's also fond of supporting the forces of reason. Last year, an anti-abortion advertisement by Feminists for Life of America in the populist monthly *The Progressive* drew sharp criticism from the left. It even lost the magazine some subscriptions. Wilcox promptly sent in his subscription money with a note saying that "there's a whole lot in *The Progressive* that is contrary to my ideological biases and I think it's just fine. I believe in tolerance and open-mindedness, too." He concluded his note by pointing out that such close-mindedness has popularly been thought to exist only on the right.

Political violence is another area of vast right-left differences, Wilcox observes. "When one compares the incidence of violence emanating from right-wing groups with the violence from the left over the the past 20 years," he notes, "it becomes obvious that violence is hardly a right-wing monopoly." He points out that the left traditionally likes acts of mass violence, whereas the right prefers one-on-one acts.

Just about every week, and often several times a week, radio stations from around the country ask Wilcox to answer questions from the stations' listeners by telephone hookup. Sitting at his cluttered desk shuffling papers, Wilcox speaks to the questions of callers. Most want to know what this or that particular group is up to. These days, callers want to know about the radical anti-tax Posse Comitatus or The Order, a racist

group. A few still ask about the left, but not many. The left isn't making headlines now.

But no matter what the question, Wilcox likes to talk about the current state of our civil liberties and the mind of political ideologues. Wilcox cites many reasons why people join extremist groups, but a common thread is that their decisions are often not rational. The reasons can include envy, hatred, paranoia, and feelings of moral superiority. "Most of them pick up ideologies the way a dog picks up fleas," he says. But perhaps the most interesting reason he's found is "propaganda addiction"—that is, for some people the propaganda of extremism is an intoxicating liquor.

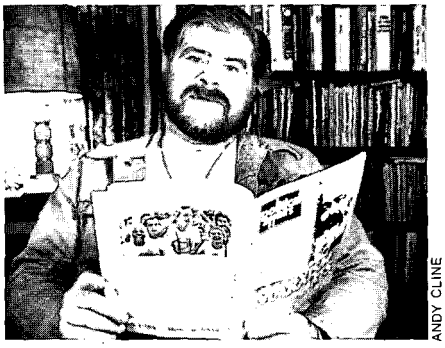
To test his theory of propaganda addiction—that the ideology itself, right or left, makes little difference to the addict—Wilcox experimented on a handful of Socialist Workers Party members. He invited them to listen to a dynamic speaker of the Nazi Party. Although all listened in horror to views so opposed to their own, two still seemed caught up in the fervor of the words. A few years later, those two, a husband and wife, became members of the Nazi Party. Wilcox credits their exposure to a dynamic speaker as the beginning of the change and proof of propaganda addiction.

Wilcox also cites one last explanation of people's political extremism: "There are some things you just can't believe without being crazy." Yet crazed or no, extremist groups, in the way they are treated, are the measure of freedom within a society, Wilcox believes. "Regardless of what one thinks of this radical movement or that—right or left—we must not allow ourselves to be stampeded into repression," he says. "Political dissidents of all kinds are human beings, and in protecting their rights we're only protecting our own."

Today's targets of repression, Wilcox maintains, are the rightist groups. "I see developing a McCarthyism against the radical right," he says, citing government and special-interest campaigns against such groups. "If a member of the Posse Comitatus shoots a cop, you arrest the bastard. You don't harass every member of the entire organization." Wilcox also believes that the danger from these farm-belt radical groups is vastly overblown.

The government is also keeping a close eye on anti-Zionist groups, Wilcox maintains. "Any group that is critical of Israel is in for trouble," he says.

BETTMANN NEWSPHOTOS



ANDY CLINE

***Analyzing ideologues: Why do people join far-out groups like the neo-Nazi New Order (above)? For some people, says Laird Wilcox (right), the propaganda of extremism is an intoxicating liquor.***

Wilcox even sees government censorship on the horizon, possibly beginning with pornography bans and leading to anti-hate legislation (laws forbidding literature and speech that is viewed as fomenting hatred toward a group of people—in Canada, for instance, federal law forbids the dissemination of materials that question the existence of the Holocaust). Too bad, says Wilcox. He credits extremist groups with sometimes dealing with important issues and scouting the leading edge of social change. (Recall that American revolutionaries such as Jefferson, Paine, and Franklin, as radical anti-monarchists, were considered political extremists of their day.)

Wilcox's uneasiness about the threat to freedom of speech has even driven him back into the ranks of the American Civil Liberties Union, an organization he's been in and out of for 25 years. "It's the only organization with the resources to effectively defend free speech," he argues. But it's also turning into the "legal arm for leftist special-interest groups," he admits.

Wilcox calls himself a libertarian, but he has a few disagreements with the Libertarian Party line ("I'm more hawkish," he says, as an example). "Political freedom is incredibly necessary," he declares. Indeed, Wilcox knows quite a bit about government abuse. His own FBI file is a thick one. It began growing after his involvement in an early '60s rally of Fair Play for Cuba, a pro-Castro group.

For several years, Wilcox has worked with limited success to have his file released to him. He reproduced a copy of what he was able to obtain and passes it out to friends as an amusement. It's hard to find anything in it that anyone would care to keep classified. Yet much of the total file still is.

The FBI is also interested in Wilcox's collection and the personal information he's gathered through the years. He gets a call from the agency now and then asking about different groups. Wilcox isn't much help. Although he was once a deputy sheriff in a Kansas county, he no longer wants to be involved in enforcement or surveillance.

The FBI buys Wilcox's publications and calls him for help, but it still keeps tabs on him. His name has appeared on the mailing lists of countless far-out groups, including a nonexistent one supposedly headed by John Hinckley, President Reagan's failed assassin. This led to a visit by the Secret Service in 1981. The government can't seem to sort out whether Wilcox is a danger to the republic or what. "They just don't get it," he says. ◻

*Andy Cline is a free-lance writer in Kansas City.*

# TOOLS FOR LIVING®

## A COLLECTION OF FIRST CLASS CONTEMPORARY MAILORDER PRODUCTS

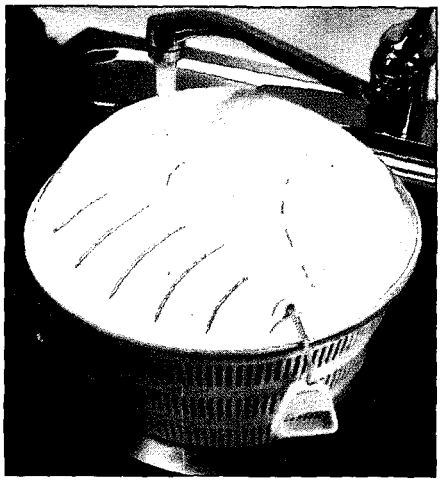
*When was the last time you learned the ins and outs of a product from a sales clerk? Tools for Living gives you high information value shopping. The products here have been researched, used and evaluated carefully and we provide all the relevant information. You can buy with the confidence of knowing exactly what you are getting — high quality, good value and satisfaction guaranteed.*

### CORKING UNCORKER

When a famous wine critic was called upon to uncork a $31,000 bottle of 1822 Chateau Lafite Rothchild, he reached for a Screwpull corkscrew. "It comes closer to infallibility," he explained later, "than any other device. The Screwpull involves no pulling. Plastic flanges fit over the top of the bottle, guiding the thin high-tensile wire screw into the cork. Handground screw has anti-friction coating for smooth easy action. As you turn, cork climbs out of bottle, in perfect condition, no trail of corkbits behind. The famous Screwpull is now available in a pocket model for travel and compact storage. Includes knife blade for foil removal. Removable handle fits over sharpened screw for protection and portability. **$16.00** ($2.95) #A1528.

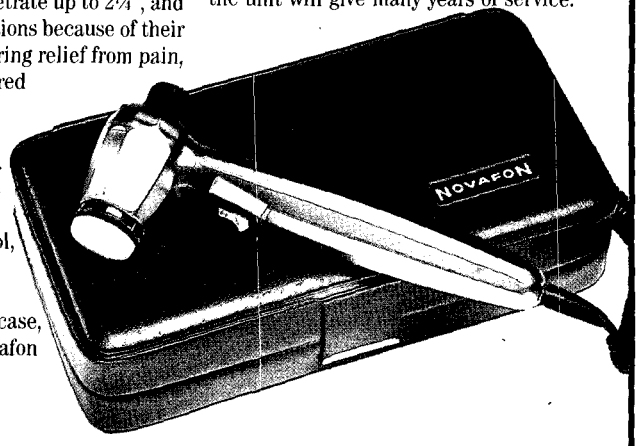
### SPIN WASH, SPIN DRY

The Jet Spin Washer/Dryer for salad greens and vegetables does a better job with a minimum of effort in less time than any other method of preparation. As the stream of water hits the spinning inner basket, it bursts into spray, giving the contents a good drenching before being carried off by centrifugal action. Flywheel action keeps basket spinning easily. Turn off the faucet and with a few more tugs the remaining water spins away, leaving you with crisp clean salad greens, so dry they are positively perky. Also works for fruits and vegetables. **$20.00** ($3.95) #A1520.



### SOOTHING SOUND MASSAGE

Tested more than 30 years, the Novafon sound massager is used in clinics and health centers around the world. It is safe for anyone. Novafon's sound waves penetrate up to 2¼", and they help a variety of conditions because of their mixed frequencies. They bring relief from pain, loosen joints and soothe tired muscles, help circulation, speed recovery from exercise and over-exertion. The Novafon is lightweight (8 oz.), small (8" length). Adjustable intensity control, choice of massage heads (disc-type and ball-type). It comes in a fitted plush case, perfect for carryalong. Novafon is made in West Germany, guaranteed for 1 year against defects, costs **$159.00** ($8.95) #A1399. Because there are no interacting mechanical parts to wear out, the unit will give many years of service.

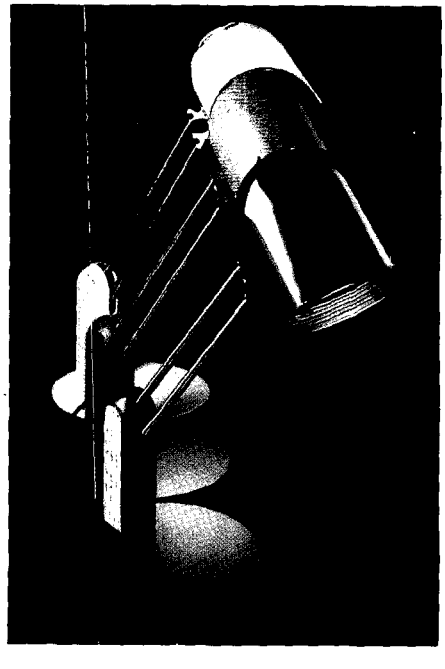



### GOURMET POPCORN WITH OR WITHOUT FLAVORS

Moisture inside the kernel is what makes popcorn pop. The higher the heat, the stronger the "explosion" of moisture vaporizing and the larger, tenderer, fluffier the resulting popcorn. Most electric and hot-air poppers "puff" the corn more than they "pop" it, leaving it tough with hard centers. This flat-bottomed stove-top popper reaches 475° (electric poppers typically operate at 350°) and pops full in two minutes with 4 quarts of the best popcorn you ever tasted. Stirring paddle with through-the-handle crank virtually eliminates burnt or unpopped kernels. Wooden handle for safe grip, two dump lids. Pop without oil for delicious diet popcorn, 325 calories per giant bowl. Produce tender, fluffy, old fashioned movie theater popcorn, **$25.00** ($3.95) #A1503. For taste-tempting flavored popcorn, a selection of 3 gourmet flavors — raspberry, praline and caramel — enough for 6 more gallons of popcorn, costs **$10.00** ($1.95) #A15043.

### TOUCH COMMAND DESK LIGHT

A built-in microprocessor replaces the traditional switch, so all you have to do is touch the base or metal arm to turn the lamp on and off through its three intensity levels. The 8" disc metal base provides a clean counterweight to the double swing arm with lighthead that swivels 360°, adjusts through 90° arc. Comes with high-intensity 60W bulb. This contemporary swing-arm lamp is perfect for home or office, telephone table or desk, workbench or kitchen — never a switch to fumble for, no unattainable angles. The Touch Command Desk Lamp is available in a choice of colors — White, #A1574WH; Blue, #A1575BL; or Black, #A1576BK — for just **$49.00** ($5.95). UL-listed. It's just the touch to bring high-tech performance to your lighting needs.



# TOOLS FOR LIVING®

## FOOD FOR WOOD

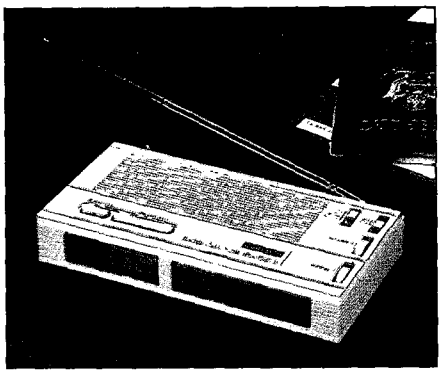
Most of the convenience waxes you buy contain detergents and silicone-additives that dry out the wood instead of nourishing it. What's the alternative? Our choice is Williamsville Wax, made according to a formula developed 200 years ago by Virginia cabinetmakers. It is made of beeswax and lemon oil, heat-blended with other natural oils in a mixture that is actually absorbed *into* the wood, preventing both dryness and wax build-up. It can be used on any type of wood, any type of finish, on paneling or kitchen cabinets as well as fine furniture. Williamsville Wax is super for restoring damaged, neglected or mistreated wood. We can send two 8-oz. bottles **$13.00** ($2.95) #A14312.

## FAN-TASTIC

All fans circulate air, but this is the only fan that circulates air in *all directions* at once. Wall to wall, floor to ceiling. As the fan operates a unique rotating grill directs the air flow through a 360° sweep, so it is not blasting out in a single current. Pushbutton controls turn grill rotation on/off, select among three fan speeds. This is a year-round fan, ideal for keeping heat off the ceiling in winter, moving cool air off the floor in summer. Measures 16″ x 18½″ x 7″ slim (12″ fan diameter), weighs only 8 lbs. for easy portability. Quiet operation, UL listed, one year limited warranty, costs only **$49.00** ($6.95) #A1590.

## TRAVELERS' TRUSTY COMPANION

If this is the *only* extra you take along on your next trip, you'll still have all your comforts covered — a full-featured battery-operated clock/radio smaller than a paperback book. Listen to AM or FM (telescoping 17″ antenna for superior reception), fall asleep to music, wake right on time to radio or alarm, snooze safely, check the time at a glance (displayed in large LCD numerals right down to the second). All this convenience is packed in a stylish grey-and-black case, only 6″ x 3¼″ x 1¼″ and barely 12 oz. Uses 4 AA batteries, not included. No traveler could ask for more useful features in a smaller, handier package. The price is compact, too: **$29.00** ($4.95) #A1434.

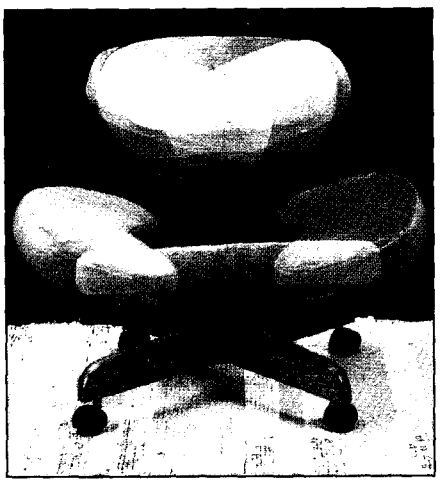


## BEEPER KEY KEEPER

Keys are misplaced more often than any other modern essential. Which results in an awful lot of frustration and wasted time. Now thanks to Beep'n Keep your keys can tell you where you put them. Just clap your hands four times and Beep'n Keep chirps electronically to signal where to find your lost keys. Works up to 30′ away. This is the only keyfinder with a U.S. patent. Special hybrid microchip design requires no on/off switch (other units need you to turn them ON *before* you lose your keys). The Beep'n Keep unit has a tough high-impact plastic case, weighs a mere ½ oz., comes with its own key ring, measures only 2½″ x 1⅛″ x ⅜″, and costs **$17.00** ($2.95) #A1429, batteries included. 30-day warranty.

## IT SWIVELS!

Backless "Back" Chairs have solved the age-old problem of proper seating, aligning the body on its natural axis so that sitting does not stress spine or back muscles. The redistribution of body weight is dramatically more freeing, natural, comfortable. But until now you had to give up mobility to sit this intelligently — these chairs were unidirectional and if you needed to change orientation you had the awkwardness of moving the whole chair. Finally it swivels! In its brand-new swivel incarnation, the Back Chair is suited for use at any work station, desk or table. The reinforced oak 4-star base has commercial-quality dual-track casters for easy manueverability over carpets or floors. Effortless swivel action. Manual height adjustment. Gray poly-cotton fabric over plush cushion. This is a new twist on a good idea and until you use it you don't know how relaxed and productive you can be sitting down. The price is a nice turn too, only **$69.00** ($11.95) #EVA1337. Minimal assembly.



*ORDERING INSTRUCTIONS AND GUARANTEE: We ship via United Parcel Service wherever possible to insure prompt delivery. The price of each item is shown followed by its shipping and handling charges in ( ). Be sure to add the item price **plus** shipping and handling charges for each item ordered to arrive at the **total price** of each item. If you are not satisfied for any reason, return the article to us within 30 days, and we'll exchange it or refund the item price per your instructions.*

**TOOLS FOR LIVING**

**FOR FASTEST SERVICE ON CREDIT CARD ORDERS CALL TOLL-FREE 800-334-7777 IN NEBRASKA CALL 1-800-642-9900**

DEPT. RSG06; 400 S. DEAN ST., ENGLEWOOD, NJ 07631

**ABOVE NUMBER IS FOR ORDERING ONLY. FOR CUSTOMER INQUIRIES CALL (201) 569-9717.**

| SEND TO (PLEASE PRINT) | ITEM NO. | QUANTITY | DESCRIPTION/COLOR | ITEM PRICE | SHPG. & HNDLG. | TOTAL PRICE |
|---|---|---|---|---|---|---|
| ADDRESS | | | | | | |
| CITY STATE ZIP | | | | | | |
| ENCLOSED IS A CHECK OR MONEY ORDER FOR $ PAYABLE TO **TOOLS FOR LIVING.** | | | | | | |
| ☐ MASTERCARD ☐ VISA EXP. DATE | | | | | | |
| ACCOUNT # | | | ENCLOSED IS $1.00 FOR YOUR NEW **TOOLS FOR LIVING** CATALOG. | | | |
| SIGNATURE | | | | | **TOTAL AMOUNT** | |

(Sorry, we cannot handle Canadian, foreign or C.O.D. orders.) Please allow 30 days for delivery from our receipt of your order.

© ISP, Inc. 1986

ADVERTISEMENT

# How the West Is Watered

*Where seldom is heard a discouraging word, 'cause the handouts are flowing all day.*

It's not easy being a conservative in the American West these days. Suddenly all that harping against government spending is in danger of serious local consequence. Why, westerners' own favorite subsidies—for water, grazing, logging, and synthetic-fuels development, among other things—appear in jeopardy or at least have caught the eyes of those jousting with the federal deficit.

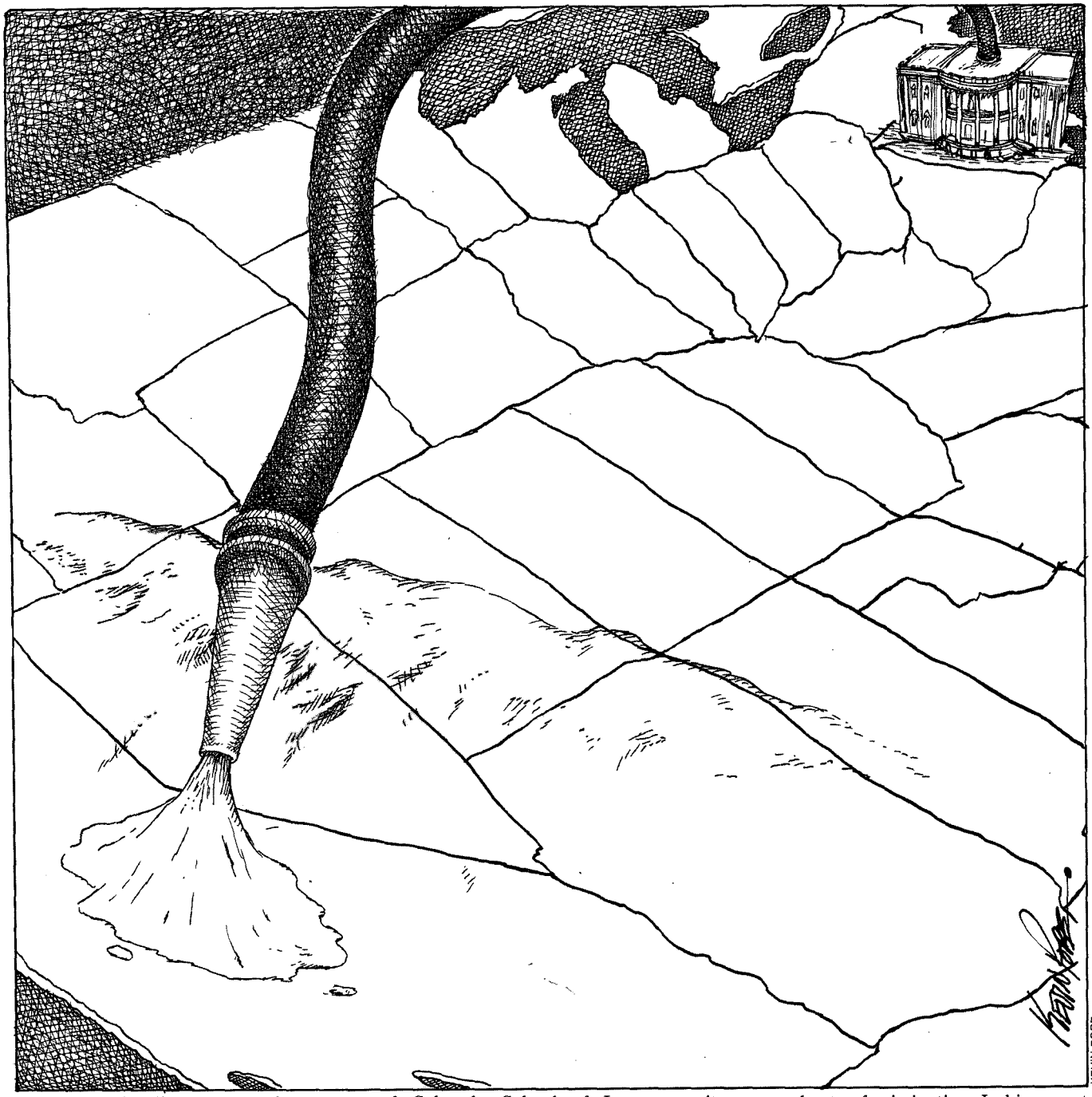
The unease was heightened recently at news that the president's 1987 budget recommends the sale of five federal electric power marketing administrations, three of which are in the West. Sure, the sale to private industry could raise billions for the Treasury—estimates range from $12.7 billion all the way up to $62 billion—and eliminate the government's need to borrow high-interest money to carry long-term, low-interest loans to the power systems. But many westerners, like the favored anywhere, have become accustomed to subsidized power.

Beleaguered Republicans like Rep. Mike Strang of Colorado have even taken to blaming "eastern liberals" for the new-found interest in at least capping (if far from emptying) the western pork barrel. When in trouble, apparently, always resort to a time-honored epithet.

Nowhere is change more evident than in the area of water policy. Painful though it is to many westerners, the era of free-wheeling, federally funded dam and canal construction is over, with dubious monuments like the Central Arizona Project having obtained approval just a few years under the wire. From now on, the states themselves—or some other entities, public or private—will have to ante up a far greater share of the capital for anything they want built. In many cases, they have to go it alone.

No too long ago, Utahans took the unprecedented step of supporting, in a landslide vote of over 70 percent, a plan to put up $500 million to help pay for a complex system of canals and dams known as the Central Utah Project. Given an eventual federal outlay of perhaps several times that amount,

*by* **Vincent Carroll**




Utahans admittedly can argue they got a good deal. Still, the vote would never have taken place a decade ago. And even with it, the project is hardly out of the funding thicket.

Water is emblematic of more than the West's evolving relationship with Washington, though. In its use and control, water also underlines like nothing else a persisting double standard: This region, which so honors self-reliance, not only is often perfectly content to let others pay its bills—it also finds nothing inconsistent in denouncing government regulations and market interference while erecting local obstacles to a free market for water that would embarrass the most fervent kibbitzer at the Environmental Protection Agency. Or, as Prof. Stephen Williams of the University of Colorado School of Law puts it: "There is a great Western tradition of proclaiming water essential and then adopting institutions that guarantee its waste."

## Turn Off the Subsidies Tap

The truth is, neither Congress nor state legislatures have come nearly far enough in introducing westerners to the bracing economy and discipline of a marketplace for water. Congress has several avenues open to it. It could require, for example, that electricity produced by dams funded with federal revenues be sold at the market price—in short, to the highest bidder. As things stand now, irrigation districts use artificially low-priced electricity produced by the dams to pump groundwater for irrigation. In his recent book *How to Create a Water Crisis*, Phoenix engineer Frank Welsh argues that if the districts had to pay market-level prices for electricity, it would force some "to either conserve water, grow more valuable crops, or go out of business."

Perhaps that sounds like a harsh goal, but only if this predominant fact about western life is unappreciated: the vast bulk of water both diverted (by dams, canals, and the like) and consumed—90 percent, more or less, depending on the state—goes to nourish crops, often with absurd economic consequences. As Colorado's Gov. Richard Lamm, a Democrat, has complained, 27 percent of his state's water irrigates alfalfa, a crop worth just $156 million annually to the

economy there. Meanwhile, tourism, more than a $4-billion business in Colorado, depends in part on preserving rather than diverting the flow of streams.

"Why should we encumber taxpayers with the staggering expense of water projects that may actually impinge on lucrative recreational uses?" Lamm has asked. "Why should we commit any public money to put more land under cultivation, so long as farmers cannot profitably market what they now produce?"

According to one federal study, modern irrigation techniques alone could salvage 24 million acre feet of water, with each acre foot—enough to cover one acre with a foot of water—sustaining a family of four for a year. Put another way, only a minor decline of water consumption by agriculture—Welsh says 7 percent—would double that available for the West's growing cities.

Congress could also promote water-market efficiency by allowing the full economic benefit to accrue to any irrigator who wants to sell the water made available by a Bureau of Reclamation project. Currently, the sale won't be approved unless the government "recaptures" a substantial portion of the original subsidy (the government's cost of building and maintaining, for instance, a dam or canal to provide irrigation water). Professor Williams argues that this rule imposes a "surtax on the capital gains derived from the transfer of such a right." That surtax, he insists, "should be abolished."

Finally, Congress could decongest water markets simply by refusing to fund any dam, canal, or reservoir in states that don't get their own legal houses in order. To appreciate what this would entail, understand first that water rights are distributed in the West according to the doctrine of prior appropriation—"first in time, first in right." This doctrine requires that in order to claim and maintain a right to water from a specific source, you've got to divert the water and put it to "beneficial use" (or at least demonstrate an intention to eventually do so).

But "beneficial use" doesn't always translate into a use that a free market would assign. Terry Anderson of the Political Economy Research Center in Bozeman, Montana, has described one absurd result of the "beneficial use" criterion: "When a Montana rancher offered an environmental group a conservation easement for Madison River water rights on the condition that the water be left in the river for fish habitat, the legal counsel for the group advised that such rights would be lost under the 'use it or lose it' rule. That water is still being diverted for irrigation."

*This region, which so honors self-reliance, is often perfectly content to let others pay its bills.*

## Let the Profits Flow

But a far bigger obstacle to a free market for water, as Steven J. Shupe of the Natural Resources Law Center at the University of Colorado points out, is that "impediments to selling or using salvaged water . . . remain in most jurisdictions." Why should farmers conserve water—why, especially, should they invest to conserve—if they don't stand to gain from their efforts by being allowed to sell the conserved water or their rights to water sources? The result of these restrictions can be nothing short of bizarre. In some cases, for instance, a farmer can't even sell the water he saves by reducing evaporation of irrigation water.

Private property rights are trammeled in other ways, too. As economist Timothy Tregarthen has mockingly observed, "Unless they are made by farmers, profits [from water] appear unseemly to the judicial mind." Opportunity for profit, of course, is exactly the motive that produces efficient allocation of resources in other areas. But when it comes to divining the true nature of water's "beneficial use," courts become exceedingly prim.

A striking example of this occurred in the late 1970s, when a business group headed by John Huston, a Denver lawyer and geologist, filed applications to claim more than a million acre feet of previously untouched underground water throughout Colorado. The gambit rocked the water establishment, which immediately raised the specter of monopoly control of subterranean supplies and insisted that the water belonged to the owners of the property above.

In fact, there is merit to linking rights to underground water sources to the owners of the land on or underneath which the water is located. The point here merely is that a bias against the idea of *profiting* from water infected the entire debate surrounding Huston's imaginative bid, which was eventually defeated in the courts.

Consider the following language of a judge assigned at one point to hear the complex case: "The application itself, without other evidence, can indicate by the size of the quantity claimed and the uses listed and the general purposes only being stated, that it is pure speculation for monetary or pecuniary benefit and that the decree is sought for profit, rather than actual beneficial use by the applicant." Now imagine if a similar distinction between profit and "beneficial use" were imposed in other areas—on developers, say, seeking to assemble a large tract of land in a major downtown area. Yet, economic notions that are discredited elsewhere are routinely applied to water.

Admittedly, water law has been evolving, both through legislation and judicial ruling. Attitudes have shifted, too. When the Galloway Group Ltd. unveiled a plan in 1984 to build a series of dams on the Yampa and White rivers in western Colorado and sell the water to user groups in California and Arizona, the reaction revealed a great deal about the present state of mind. Despite the usual warnings from chauvinists outraged that someone else might benefit from a state's official allotment of Colorado River Basin water, most objections were grounded in more sober legal and ecological concerns. Moreover, even many opponents of the plan conceded the need for a freer interstate market in water.

Of course, growing concern over wasteful water consumption needn't lead to freer markets. In Arizona, recent law simply mandates agricultural conservation. The irony of providing farmers with subsidized water and then ordering them not to use much of it seems not to have dawned on some people.

But before the job of conservation is everywhere turned over to the regulators, western states—which, after all, give conservatives some of their most lopsided political victories—might try pricing water at its true cost and uprooting obstacles to its free exchange. Who knows? The free market that westerners love to invoke might actually work as advertised. ◻

*Vincent Carroll is assistant editorial page editor of the* Rocky Mountain News *in Denver.*

Senator Proxmire's evolution from "$35-Billion Bill" to taxpayers' friend

# Inside the Mind of a Big-Time Spender

by *James L. Payne*

For those with an appetite for cynical interpretations of the American political process, the case of Sen. William Proxmire, Democrat of Wisconsin, has been a tasty morsel indeed. On the one hand, he has been a headline-grabbing fiscal conservative, decrying wasteful government spending even before he came to Washington in 1957. As a senator, he developed the well-known "Golden Fleece Award" whereby questionable appropriations are singled out for nationwide ridicule. For symposia on the importance of limiting federal spending, he is probably the most sought-after speaker in the country.

Yet, while being a crusader against government spending, the senator has also been a supporter of the budget-busting expansion of federal programs. He has long fought for subsidies for Wisconsin dairymen; he was instrumental in pushing through the first federal loan program for New York City in 1975; he is a staunch defender of Social Security and the Medicare program.

The cynics assume that they know, without a second glance, what Mr. Proxmire has been up to—namely, a textbook example of hypocrisy. He preaches fiscal conservatism to woo the tightfisted Wisconsin farmers, then plunks for the welfare state to please the liberal-labor pressure groups. It's the old ploy of appearing to be all things to all men—and, the cynic adds, look how well it works. The senator has been reelected five times by wonderful majorities. "Proxmire," in the sour view of Vic Gold writing in *Harper's*, "can be sure of his niche in the pantheon of irresponsible demagogues."

The trouble with such an interpretation is that it presumes a degree of conscious dishonesty that hardly anyone in real life can sustain for very long. The politician is supposed to project, day after day, a concern bordering on hysteria; a concern which, in his own mind, he knows to be false and empty posturing. As any actor will testify, to play a role even for a few hours is quite draining. To say that a politician has dissembled for over 30 years—which is

how long Prox has been hammering at government waste—strains credibility.

So I've never liked the prevailing theory about Proxmire. But I didn't have a good substitute explanation for his behavior—until I began reading his books.

I had set myself the task of trying to understand why congressmen voted for more and more spending even while they said that they knew it was bad for the economy. The paradoxical Proxmire seemed an obvious figure to study. With great interest, I delved into his books on government spending and waste.

One of his earliest books on economy in government was his 1972 work, *Uncle Sam—The Last of the Bigtime Spenders*. In it one finds, with glaring clarity, the inconsistency that has given Proxmire his reputation. On the one hand, he is fulsome in detailing the failures of government programs, the thoughtless excesses, the corruption, and the "perversion of intent" endemic to government action. But right alongside these findings, often on the very same page, Proxmire declares the "pressing need" for additional and expanded government programs of all descriptions.

For example, he makes devastating criticisms of the housing and urban-renewal programs. He scores them for destroying more housing for the poor than they create, for discriminating against blacks, for mandating the wrong type of housing, for largely subsidizing housing for the middle and upper classes, and for the numerous scandals that plagued the programs. "The major villains were the FHA, HUD, and the Urban Renewal Administration bureaucracies," he concludes. Do his findings make him skeptical of the ability of government to handle the housing problem? Not a bit. "The problem with public housing is that there has not been enough of it," declares Proxmire, who then rushes ahead to congratulate himself for "the establishment of a ten-year housing goal under the Proxmire amendment" to the Housing Act of 1963.

What is going wrong? We can't say that Proxmire lacks the training to handle his job, for he has the highest of academic credentials: a BA from Yale, and an MBA and an MPA from Harvard. Furthermore, he is not the only member of Congress whose thinking takes this turn. His is simply a highly visible case of an error that, to varying degrees, afflicts all who grapple with public policy—and even those who only dream about grappling with it. That error is "policy solipsism."

A 50-cent term, I agree, but we need it because we are dealing with a 50-cent fallacy, one that has caused more tragedy around the world than earthquakes and hurricanes combined. A "solipsist" is one who considers his own thinking to be the only reality and who treats the external world, including the experiences of others, as meaningless. Probably no one adopts this position fully and carries it out in his daily life, it being not only foolish but dangerous. Nature has a way of weeding out people who believe that diesel-electric locomotives that *are* bearing down on them aren't.

But in politics, it is possible to be a solipsist. It is possible to live in a world of imagined policies and ignore the real world. The actual economy and society are so complex and distant, and the cause and effect relationships therein are so obscure, that we are tempted to believe anything we want to believe. Egotism reinforces this impulse: since we consider ourselves smarter and luckier than others, their failures are not relevant to us. *Their* automobile crashes say nothing about *our* need to wear seat belts.

The solipsist is thus a perennial optimist about his own policy ideas. Evidence that similar policies have failed at some other place or time will be disregarded because these failures happened to somebody else. The policy-in-my-imagination is reality; historical experience is treated as fiction. In effect, policy solipsism is adopting the position, *I* think of it, therefore it works.

This is Senator Proxmire's problem. When he thinks of a policy to correct some national ailment, he assumes his imagined policy will work. Similar policies that have failed or backfired do not call into question the soundness of his own idea. Public-housing programs may have been a disaster, the senator reasons, but *my* housing programs will work.

This inner conviction affects the senator's critical faculties. When it comes to the policies of others, Proxmire is energetic in identifying the reasons for their failure. In fact he could almost be writing for a sophisticated conservative or libertarian audience. But when presenting his own policy suggestions, his acuity flies out the window.

For example, in evaluating past programs to stimulate the economy, Proxmire roundly criticizes public-works projects on the grounds that the jobs involved tend to become permanent. He then turns around and advances his own program for combating recession, under which, he confidently asserts, "there would be full employment at the end of one year." The centerpiece of his plan is for the federal government to "provide public-service jobs for work in state and local governments." He never considers whether these jobs might not also become permanent (which is, of course, exactly what happened under revenue-sharing).

In a later book, *The Fleecing of America*, Proxmire discusses the Truth in Lending Law he authored but which, in his opinion, has been "miserably ad-

ILLUSTRATIONS • SAM McCAY

ministered." He complains: "The Federal Reserve Board drafted regulations so complex that it took the lender hours to fill out the form, and the borrower got lost trying to read it.... What I had in mind," he laments, "was a simple disclosure statute." After decades of experience with the policymaking process, this lawmaker could still believe that the policy he had "in mind" would soar directly from his brain into national fact, untouched by senators, congressmen, aides, lobbyists, administrators, consumers, clerks, judges—or Murphy's Law.

Before we come down too hard on Senator Proxmire, we should realize that policy solipsism is not an unusual error. In its thrall, some of the great minds of history have been reduced to childish blathering. The first to go on record in this manner was Plato, who wrote the *Republic* in 375 B.C. Plato's idea was that the evils of his time traced to incompetent political leaders. The solution, he said, was to make kings out of philosophers, like himself, trained especially in mathematics. Once these philosopher-kings were put in charge, the state would function without a hitch until the end of time. Everyone would be assigned a specific occupation by the rulers and happily stay in it; no one would ever criticize the rulers or question their judgment; the rulers would never be selfish, they would never disagree among themselves, and so on.

Each year when we come to the *Republic* in government class, my first-year college students are appalled at Plato's lack of good sense, at gaps in his scheme you could drive a truck through. They do not reckon with the power of policy solipsism; since the ideal republic was a creation of Plato's mind, Plato's mind accepted it as workable.

Interestingly, Plato got a chance to try out his theories when Dionysius II of Syracuse invited him into his administration as a royal advisor. But being a real philosopher-king was tougher than being an imaginary one. The geometry Plato so earnestly crammed into Dionysius had no effect whatsoever on local politics; revolution brewed as usual and Plato was forced to flee for his life.

Intellect, as we see in Plato's case, is no insurance against the error of policy solipsism. Nor is experience an adequate check. Consider, for example, the persistent attraction of Marxism. There are 34 Marxist-Leninist dictatorships in the world, each a dismal tyranny that has failed even in terms of its own promises. Yet all around the world, Marxist activists and their sympathizers dream of establishing the 35th Marxist-Leninist dictatorship, confident that *their* revolution will bring freedom, justice, and prosperity. The historical record weighs as nothing against the policy-in-mind.

One sees this lack of skepticism in the way congressmen talk about policies as if they were facts rather than mere intentions. They speak of "programs to feed the poor," or "funds to retrain unemployed workers." Instead, they should be saying "programs *aimed at* feeding the poor," or "funds *intended for* retraining unemployed workers." It is solipsism that fuels their optimism. It doesn't occur to them that their ideas might transmute into something else when implemented. They don't consider, for example, that a plan "to educate handicapped children" might actually become, after a series of conferences, a scheme "to send administrators on Hawaiian vacations."

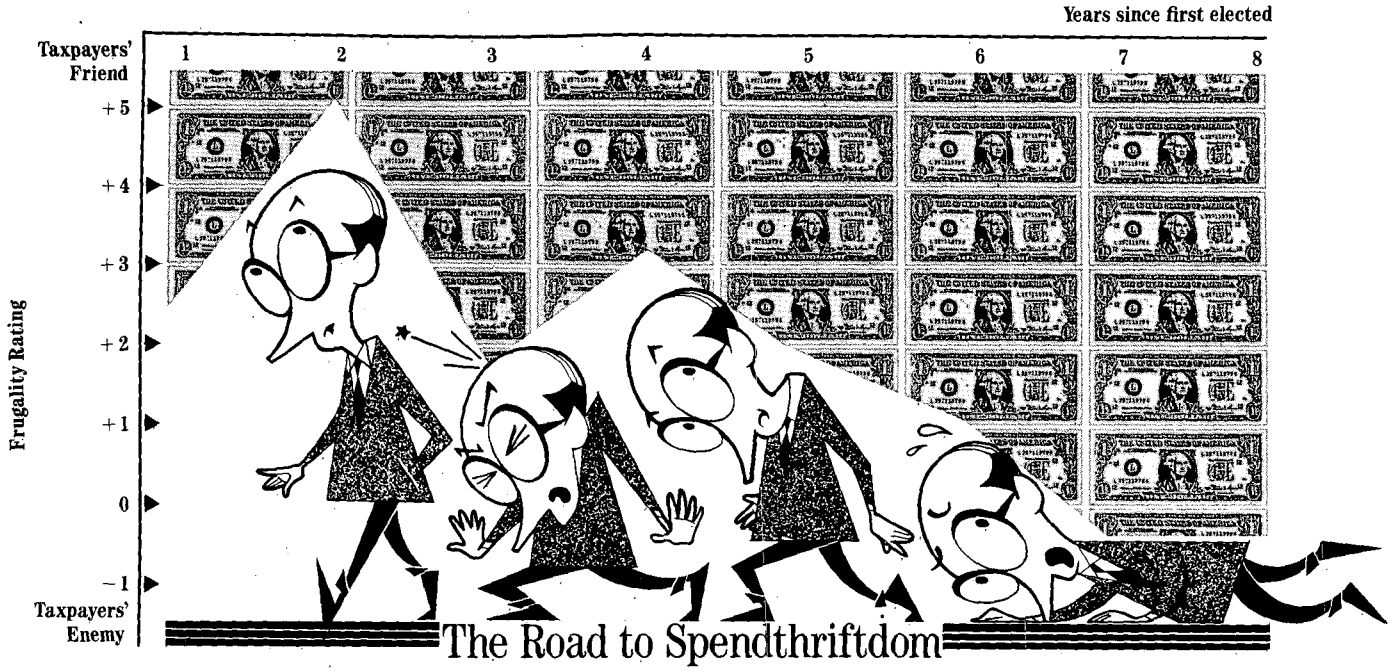
Like Proxmire, the congressmen can notice past failures and can even acknowledge that government programs have made certain things worse. Nevertheless, they believe in and support the program they have in mind at the moment. *My* policy, they say—without a trace of humor—will correct the problem caused by the policy to correct the problem. Obviously, this attitude fosters the endless expansion of government programs. The operative syllogism becomes, in effect, I think, therefore I spend.

What is the prognosis, then, for policy solipsism? Those concerned with the integrity of the federal government's fiscal policy are deeply interested. Can it be cured, or is it a terminal affliction that only worsens with the passage of time?

The evolution of Senator Proxmire's views gives us something of an answer to this question, and the news is both bad and good. In his more recent work, especially *The Fleecing of America*, one sees both continuity and change in his perspectives.

The bad news is that the senator has not overcome policy solipsism. Much of the book is devoted to criticizing federally funded research. Examples include an HEW project to teach college students to watch television, a study of a Peruvian brothel, a study of the time it takes to cook hash and fry eggs, a study of why prisoners want to escape from jail, and so on.

The senator goes beyond attacking these studies for asking obvious or silly questions. He points out that oftentimes even worthwhile studies merely repeat existing studies, that the budgets of these projects are typically inflated, that the results are often not put in usable form and not relayed to the appropriate audience, and finally, that taxpayers should not be forced to pay for studies




The longer a senator serves, the more he votes for big-spending bills. That's what this analysis of senators' voting records shows, based on National Taxpayers Union ratings of the 29 senators first elected in 1972, 1974, and 1976. Numbers greater than zero mean that the senators voted for **lower** spending than their party colleagues; numbers less than zero indicate they voted for **higher** spending.

that benefit only one group.

Has he therefore become skeptical of the desirability of government-funded research? Not when it is research that *he* has in mind. "Coming from the number-one dairy state," he declares, "I strongly favor economic studies with a sensible cost/benefit ratio in support of milk, dairy farmers, or the cow." It never occurs to him that the government studies *he* has in mind would be open to all the defects he has listed—including the unfairness of having taxpayers "fleeced" to pay for studies of benefit to the dairy industry.

While Proxmire hasn't overcome the flaws in his basic logic, there has been a decline in his enthusiasm for government action. In his most recent book he makes far fewer suggestions for new government programs than in earlier volumes, and he announces his opposition to numerous spending ideas. His legislative record shows this trend toward fiscal conservatism. In his early years in the Senate, he was an unabashed big-spending liberal. Then-Vice President Richard Nixon tagged him "35-billion Bill" on the basis of his spending proposals in 1958—when $35 billion was real money. Some 25 years later, he has grown much more cautious. In 1983, the National Taxpayers Union ranked him sixth out of the 100 senators in fiscal conservatism; in 1984, he ranked in first place.

What is significant about Proxmire's evolution is that it goes squarely against the trend. For most congressmen, the longer they serve, the more pro-spending they become (see graph). This relationship, I have found, holds for both free-spending Democrats and fiscally conservative Republicans. Why does Proxmire depart from the norm?

The answer, it seems, lies in the patterns of indoctrination and reinforcement at work. Most congressmen are exposed only to pro-spending influences. They are in contact with beneficiaries of government programs who urge more spending—agency officials whose salaries and prestige depend on the expansion of the programs they administer, pressure groups lobbying for more government largess, and constituents seeking government help for their problems. Exposed year in and year out to the beneficiaries' point of view, most congressmen are swayed toward the pro-spending orientation.

For Proxmire, the indoctrination has gone in the other direction. By a largely accidental process, he has become the recipient of anti-spending stimuli. Proxmire's initial interest in government waste did not come from the heart nor (obviously) from any bedrock convictions about the virtues of limited government. As he frankly explains in *The Last of the Bigtime Spenders*, he picked the issue of economy in government when he started out in politics because he needed a highly visible theme for his election campaign: "I was desperate; I just had to get elected. How do I identify?"

Once he picked the issue, however, a process of reinforcement began. He directed his staff to work on cases of government misfeasance, and they in turn persuaded him about the wastefulness of government. His reputation as an opponent of waste attracted whistleblowers from within the bureaucracy, whose influence further swayed him away from his natural confidence in government's ability to solve problems.

The good news about the Proxmire case, then, is that it shows what a suitable campaign of persuasion can do to hold back big-spending proclivities. Proxmire began his career with all the makings of a leading big-spender, optimistic about government's abilities to solve problems and afflicted with the thought pattern I have called policy solipsism. Nevertheless, he has drifted far from his fellow liberal Democrats. He has not repudiated his pro-government premises, nor has he overcome solipsism, but the indoctrination by critics of spending has made him one of the most fiscally responsible senators.

The challenge facing advocates of limited government, then, is to figure out ways to bring anti-spending stimuli to bear on the rest of Congress. The congressional-opinion climate—now dominated by beneficiaries—needs to be balanced by the voices of taxpayers and those who criticize specific programs. Legislators are still going to be tempted to believe that *their* programs will always work. But if they are bombarded with enough new cases of government malfeasance, misfeasance, and bosh, they can be made to shy away from the impulse to spend. ◻

*James L. Payne has taught political science at Wesleyan, Johns Hopkins, and Texas A&M University. He is currently working on a book explaining congressional spending.*

By Warren M. Salomon

# Invasion of the Money Snatchers

Remember the old science-fiction movie where things that look like giant pea pods descend on Earth and overnight they grow into the shape of human beings? Remember how the hero wakes up and he's surrounded, not by neighbors and family, but by... *aliens*?

Could it really happen? Congress apparently thinks so. Ever alert to the slightest threat to life, liberty, and property, our far-sighted leaders in Washington want us to be ready in case the dreaded pea-pod people should arrive. And to prepare the populace without undue alarm, Congress is using the Internal Revenue Code.

It seems that them thar' foreigners used to be exempt from our capital-gains tax, and they've been accustomed to "gobbling up" our land, selling out at a profit, and paying no tax. Well, the law's been changed so that the capital gains of foreigners ("non-resident aliens," according to the IRS) are fully taxable. However, not enough of them have been paying attention to our laws. Terribly rude of them. But fear not.

Since January 1, 1985, those aliens are subject to a flat 10 percent withholding tax on their real-estate sales. Serves them right, huh? I mean, how dare they come here to the land of the free and offer us their money?

But who does the withholding? Good question. The answer is...you do.

The way it works is this: If you're the buyer of real estate, or of a corporation that owns real estate, you can't just fork over the purchase price to the seller. After all, he (or it) may be an alien. You have to hold back 10 percent (not 10 percent of the cash part of the deal but 10 percent *of the entire purchase price*) and send it to the IRS. You give a form (8288-A) to the seller showing what you've withheld, and you send copies of that, plus another form (8288), to the feds within 10 days of the transaction to tell them what's happened. The poor seller staggers away from the closing with nothing to show for it but a fistful of forms, and then he works out his tax liability or his refund with the feds. It's similar in concept to withholding income taxes from your employees.

What if you don't withhold the 10 percent? That's a real problem, because in all likelihood (says Congress) the seller's going to dash back to Denmark, or Argentina, or Mars, or wherever he came from, and he's not going to pay any taxes to the IRS. Before 1985, that was Uncle Sam's problem, but not any more. Now who pays if the foreigner doesn't? You do, dearie. That's right—you're personally liable for the 10 percent, and probably so are your agents (your lawyer, your broker, your escrow agent, etc.). And of course, there are penalties for failure to withhold; and there's always interest.

Are there any exceptions? Dumb question. How else would lawyers make a living if we didn't have exceptions? The withholding requirement doesn't apply if you're buying the property for use as your own residence *and* if the price is $300,000 or less. It also doesn't apply if the seller gives you an affidavit that he's not a foreigner. The feds have thoughtfully drafted a sample affidavit for you. But in the absence of receiving a "nonforeign affidavit" (or in the absence of some other exceptions too complicated to explain here), you've got to send 10 percent of the whole deal to Uncle Sam.

Consider a simple transaction. You're buying a parcel of nonresidential real estate, or maybe it's intended to be your residence but the price is over $300,000. The seller may be from a family that's owned that land for 200 years, he may be whistling "Yankee Doodle," and he may look like something out of a Norman Rockwell painting, but don't be lulled by any of this. The seller could be one of those alien creatures. Demand a nonforeign affidavit, and if you don't get one, take 10 percent of the deal and send it to the IRS.

Of course, the seller may look like a Pygmy, he may be wearing a loin cloth and carrying a blow-gun, and he may speak not a word of our language—but if he hands you a nonforeign affidavit, you're safe. He's one of us, and no withholding is necessary.

There's a sad aspect to all this, and it's not that Congress has been watching the late-late show too often. The really tragic side of this new law (section 1445 of the Internal Revenue Code, by the way) is that once more, each of us has been conscripted to do Uncle Sam's dirty work. And if an innocent American buyer, acting in good faith and understandable ignorance, acquires land from someone who does indeed turn out to be a tax-dodging foreigner, it's the American buyer who gets stuck. Life was easier (and we were freer) when we didn't tax foreigners' capital gains.

But why am I complaining? Don't I as a lawyer benefit from complicated laws? Indeed I do; but even so, why shouldn't I complain? It's a living, of course, but just like you, I'd be a lot better off if the whole tax system were junked. On that happy day of economic liberation there'll be a lot more savings, investment, commerce, and prosperity in the country, and that would benefit all of us—even tax attorneys.

But until then, the next time you buy some real estate—or stock in a corporation that owns real estate—you'd better demand that nonforeign affidavit. And when you go to sleep tonight, check under your bed. A giant pod may lurking there.

*Warren Salomon is an attorney and tax specialist practicing in Miami.*

By John H. Fund

# Gaining Ground In Manhattan

*Losing Ground* by Charles Murray. *Wealth and Poverty* by George Gilder. *Markets and Minorities* by Thomas Sowell. *The State Against Blacks* by Walter Williams. Is there a REASON reader who isn't familiar with at least one of these pathbreaking books—each of which has sent liberal tumbrels spinning?

All of these books were encouraged, financed, and promoted by the Manhattan Institute for Policy Research, an eight-year-old "think tank" that works to develop unconventional, free-market ideas and then win acceptance for them among academics, journalists, and government officials.

William Hammett, a genial, energetic 40-year-old, has been president of the Institute since 1980. "What we are trying to create," says the fast-talking Hammett, "is a place where the best thinking of free-market scholars can be attractively packaged, intelligently presented, and vigorously defended."

To that end, Hammett has also put the Institute in the intellectual "catering" business. To date, the Manhattan Institute has sponsored over 50 forums and lunches in New York City, featuring such speakers as Milton Friedman, legal scholar Richard Epstein, and M. Gatsha Buthelezi, chief of the Zulu people of South Africa.

Hammett's forums are attended by a diverse cross section of people. "We don't supercharge our ideas with politics as much as you might see in Washington. That's why we invite liberals and local officials to our forums. People like that were burned by the ideological overpromising of the '60s. They're looking for something that will work. That's why privatization, for example, will gain more acceptance if it's pitched as a practical, good-government reform rather than as a battering ram against the state. If implemented, the result will still be the same: a smaller public sector."

This ecumenical approach has won Hammett praise in unexpected quarters. New York *Daily News* columnist Ken Auletta, a prominent liberal thinker on poverty issues and author of several books on urban policy, has written, "William Hammett believes in a free marketplace for ideas as well as business, which is not always the case among those with fervent ideological views."

**William Hammett**

The Manhattan Institute was founded in 1978, fueled with funding from such conservative Republicans as William J. Casey, now the director of the CIA. (Its original name was the International Center for Economic Policy Studies.) The first president was Jeffrey Bell, a young supply-side theorist who had lost a US Senate race in New Jersey to Bill Bradley. "In 1980 Jeff left," recalls Hammett, "and George Gilder, the program director, decided that since he was so busy writing *Wealth and Poverty*, he had to go out and find a new boss to run the place. He found me."

At the time, Hammett was president of the Center for Libertarian Studies, a small scholarly research organization which has since moved to California. "The Center was my first stab at trying to bring ideas off dusty library shelves and into the public debate," says Hammett.

Born the son of a foreign-service officer, Hammett grew up partly in Taiwan and Germany. He studied economics at the University of Chicago before embarking on a career in investments and marketing in California. "Even then I was always into ideas—I read von Mises and Hayek—but I was frustrated at being one of the few people I knew who had. I guess what I'm doing now is trying to find the free-market scholars of the 1980s and make certain that their ideas aren't ignored for 40 years."

Hammett wants the Institute to shift its focus slightly and concentrate more on state and local issues. "I think the big spenders know that more money isn't coming from Washington, so there will be pressure for new programs at the state and local level. We have to avoid being put on the defensive in city halls and state capitols."

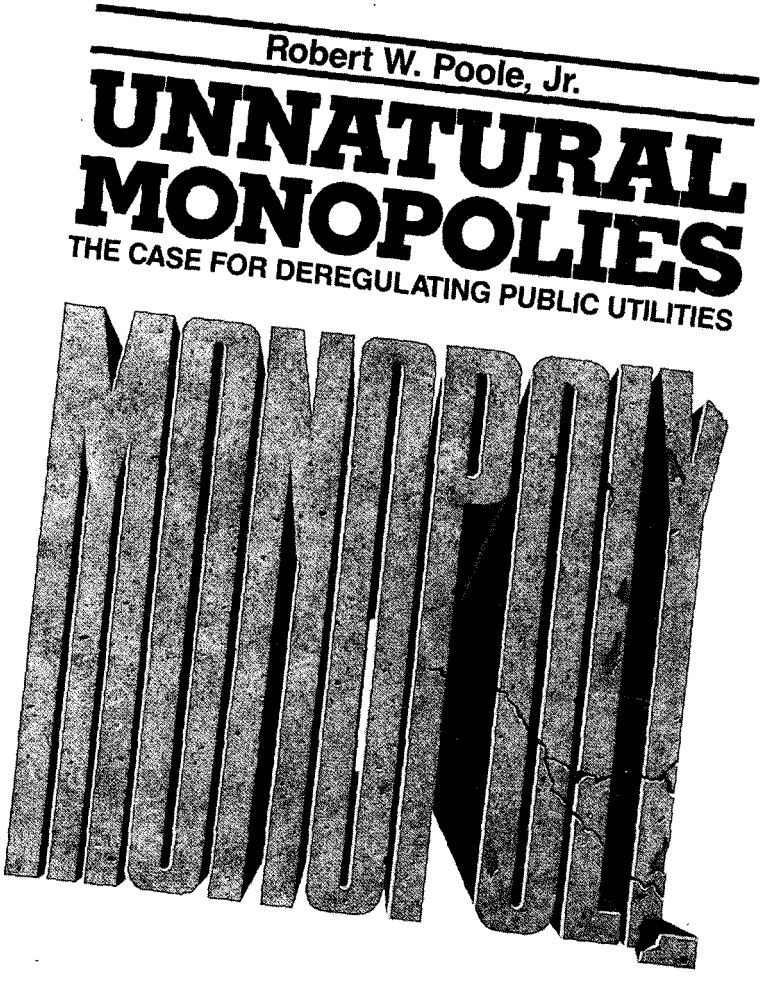
And Hammett's approach is already winning supporters. William J. Stern, the former public official in charge of New York's Urban Development Corporation, is working with the Institute to promote a state tax cut and more private contracting-out of public services. What makes Stern's support especially heartening is his background: A lifelong Democrat, he served in 1982 as finance chairman for Mario Cuomo's successful campaign for governor.

Hammett is most proud of the response to sociologist Charles Murray's *Losing Ground*, a comprehensive analysis of the negative effects that several Great Society poverty programs have had. *Losing Ground* was easily the most talked-about public-policy book of 1985. "How did this statistical tome become such a media event?" asked *New Republic* staff writer Chuck Lane in an article on the Murray phenomenon. "It was no accident. Murray says himself that the book might never have gotten the coverage it has without the help of a well-funded promotional campaign led by the Manhattan Institute."

But Hammett is the first to say that free-market ideas cannot prosper through intelligent marketing alone. "Our ideas have to be of much higher quality than those of our opponents," he emphasizes. "They will be looked at much more critically because they come from a minority point of view. Just as the New Dealers had to work harder to get their ideas accepted in the 1930s, we have to do the same thing today."

*John H. Fund is deputy editorial features editor of the* Wall Street Journal.

# Wouldn't you rather have a choice?




Conventional wisdom says that electricity, gas, water, local phone service, and cable TV are all "natural monopolies"—and that therefore they are best provided by a single, regulated utility.

This new book from the Reason Foundation is the first to challenge that view. It presents both theory and evidence suggesting that (1) public utility regulation has not protected consumers, (2) utility competition is feasible, and (3) competition could give both producers and consumers a better deal than regulation.

In this path-breaking new book you will learn:

- Which 24 American communities already enjoy the benefits of competing cable systems;
- How the long-ignored competitive era in telephone service (1894-1907) led to explosive growth *and* falling prices;
- Why electricity prices are 33% *lower* in the 23 U.S. cities with competing electric companies;
- Four reasons why PUC-type regulation leads to higher costs for consumers;
- Which industries are most likely to begin direct competition with local phone companies.

And much, much more. Regulated utility monopolies are the last bastion of large-scale government regulation. But not for long. This book points the way to a competitive, entrepreneurial future.

"This book makes an important contribution to the discussion of a leading regulatory issue of our time."

—Mark Fowler
Chairman, FCC

"No one interested in the theory or practice of utility regulation should miss this book."

—Sam Peltzman
Graduate School of Business
University of Chicago

"This book is must reading for anyone concerned with utility or cable television regulation. It is an outstanding work on regulation or utility monopolies."

—Thomas Gale Moore
Member, Coucil of
Economic Advisers

Please send me _____ copies of *Unnatural Monopolies* at $25 each (plus $1.25 for postage and handling). California residents add 6% sales tax.

Name _____
Address _____
City _____ State ____ Zip _____

Return this coupon with your check or money order, made payable to: The Reason Foundation, 1018 Garden Street, Santa Barbara, CA 93101.

## Hey Greta, Why So Morose?

*By Tibor R. Machan*

The Swiss do it right, according to lots of folks. In addition to a beautiful country, they enjoy internal peace. And they have a long tradition of town-meeting-style government, open to all the people, that larger democratic countries can only eye wistfully. Lately, even Western socialists, casting about for a model, have been looking to Switzerland.

By now, Marxist-style socialism has hardly any support. Even the few notable neo-Marxists—for instance, John Elster, author of *Making Sense of Marx*—have had to recast their leader's doctrines to make them palatable. And Aleksandr Solzhenitsyn's account of the Soviet gulags makes it difficult to associate Soviet socialism with anything but modern barbarianism.

Yet Marxism's decline has not sparked a resurgence of widespread intellectual support for capitalism, the free market, or the basic principle of the right to private property. Although certain segments of the public may once again see hope in a *Reader's Digest* version of capitalism—Reagan's type, unprincipled but capable of producing wealth for almost everyone—the pundits and educators, at least outside economics departments, still don't much like capitalism.

The enthusiasm of leftist intellectuals these days is with a new kind of socialism, "economic democracy." Its proponents envision a system in which the decisions of economic significance in a society will be made by *all* members of the community.

In this vein, many economic democrats have turned their attention to the Swiss model of direct participatory democracy. A notable example is Rutgers University political scientist Benjamin R. Barber, who in his book *Strong Democracy* advocates that virtually everything in our midst be open to democratic decision-making. In Barber's view only society has rights, not individuals, particularly rights to the means of production. Thus everyone should participate in deciding economically vital matters.

Actually, Americans are becoming familiar with this kind of socialism, as noted in the April 1981 REASON article "Socialism . . . On the Street Where You Live." It has to do with collective decision-making about matters of relevance to the community. But in America the process is relatively indirect. Decisions are not made directly by the public but by elected and appointed officials.

Switzerland, by contrast, enjoys the kind of political order that leaves small communities with extensive authority to run the affairs of concern to them. These communities—actually called "communes"—pretty much run themselves in a fashion familiar to Americans via the New England town meetings.

There is, however, an aspect to the Swiss communal experience that has gone largely unnoticed. I came upon it by accident during my two stays in Carona, a small village in Ticino, the Italian canton in southernmost Switzerland. It is directly tied to the participatory democracy that has become the darling of those socialists who are disillusioned with Marx. The phenomenon seems to be duplicated throughout Switzerland.

In essence this Swiss phenomenon embodies the (local) politicization of human existence. All matters of interest to people in these sorts of political organizations are up for consideration at the village meeting. Back yards may be taken from some homeowners; front yards may be transformed into parking lots for the use of the village; the cemetery may be remodeled at public expense; holidays may be changed at the majority's discretion; trees may be removed or planted, wood burning mandated or forbidden; and so on, whatever suits the people as a whole—or at least the majority of politically assertive members in the community.

Now all this is not very new. Swiss communes have experienced it for centuries. What is rarely noticed, however, is that such a political life may well have its casualties—namely, community spirit, cheerfulness, neighborliness, and friendship, not to mention genuine individual liberty.

In the commune of Carona, virtually no one appears to like anyone else. People are persistently suspicious of one another. Everyone appears to be on guard against some forthcoming assault from the rest. These observations are made not by outsiders but by some Swiss themselves, who have come to know the

ways of other lands, ways that are free from Swiss direct majoritarianism or, to use Professor Barber's term, "strong democracy."

Genuine friendship is rare is Carona, and it is always under strain. When you add to this the fact that most communes are inhabited by members of various ethnic groups, who in the general European tradition of collectivism tend to be hostile to each other, you can imagine the joy that permeates many Swiss villages.

Now there is, of course, an advantage to all this. The Swiss are generally regarded as very diligent, hard-working, and clean—yes, very clean, cleanliness being the civil religion in Switzerland. They enjoy a certain kind of stability of government unheard of elsewhere.

They may, however, be paying a steep price for this stability. In my experience, it is relatively rare to experience Swiss people laughing heartily, enjoying themselves, relaxing and joking, etc. There are exceptions, but the sour side of the Swiss personality is taken for granted in Switzerland.

Just why the Swiss are so morose is somewhat of a mystery. But the hypothesis I wish to put forth is that it has a lot to do with the Swiss system of direct participatory democracy. I base this not just on what seems to be the obvious result of such a political system—how could one be happy with everyone looking over his shoulder all the time, ready to meddle when a sufficiently powerful group has been amassed? It is, instead, based on observation and personal reports from Swiss citizens. They admit that such a political arrangement is depressing, leaving them unfriendly and always on guard.

I may not be taking into account other factors that contribute to Swiss sourness, especially in the commune of Carona. But even this much raises doubts about the virtues of direct democracy. Some years ago, Vladimir Bukovsky wrote an essay in *Commentary* magazine, "The Soul of Man in Socialism," in which he beautifully chronicled the effects of Soviet socialist life on the citizens of that country. Wouldn't it be interesting to do this with other political systems? It may be troublesome to formulate criteria of happiness and flourishing. But I am willing to bet that Swiss direct democracy contributes to neither. My limited experience suggests as much, at least.

*Senior Editor Tibor R. Machan teaches philosophy at Franklin College in Lugano, Switzerland.*


**CLAUSTROPHOBIA**

**LIFE EXPANSION NEWS**

Is your cage getting a little too small? CLAUSTROPHOBIA is a monthly newsletter covering progress on the elimination of natural and artificial barriers to life expansion. The emphasis is on space development, life extension, and individual liberty. Our tenth year.

$20/Year

CLAUSTROPHOBIA

5047 SW 26TH DR., PORTLAND, OR 97201

**RARE FIND!**

SERENE SECURE SECLUDED
Redwood timbered acreage w/river frontage, private bridges. For studio, family compound, or retreat?
Call — Vern Bonham, (707) 923-2119/ 923-3827 or write 867 Redwood Drive Garberville, CA 95440

**FINANCIAL**

**FREEDOM**

Expand your investment horizons, protect your financial privacy, and enjoy handsome profits. Our Offshore Mutual Funds report is a must - performance evaluation, analysis of hundreds of funds. Learn which international funds consistently produce outstanding investment profits, which are located in tax havens with strict secrecy laws, which offer an exciting double play in the near future.

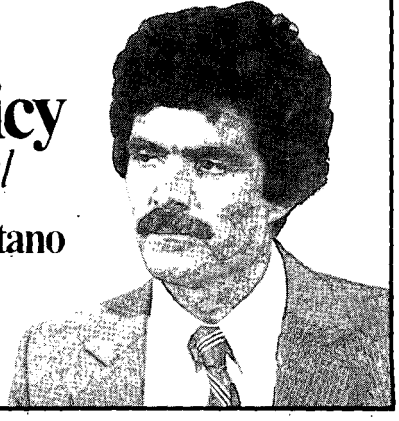
Write: MM Financial Report
12A Eastpoint Bldg
92 Gloucester Road
Hong Kong

**"A fatal blow to antitrust theory"***

The wave of deregulation that has swept the American economy in the past decade has now reached the last bastion of economic intervention, antitrust policy. Going beyond other scholarly critics and the Reagan administration's reform proposals, economist D. T. Armentano questions the basic idea of antitrust policy. He argues that antitrust laws have been repeatedly employed to restrict competition and that antitrust is inconsistent with both economic efficiency and individual liberty. This provocative book is a challenge to both the critics and the friends of traditional antitrust enforcement. $5.95, 78 pp.

* *Fred L. Smith Jr., president Competitive Enterprise Institute*

**Antitrust Policy**
*The Case for Repeal*
**–D.T. Armentano**



CATO INSTITUTE
Cato Institute, Dept. R
224 Second St. SE
Washington, DC 20003

# the book case

## The Quintessential Modern Conservative

*By Bill Kauffman*

***Right Reason*, by William F. Buckley**
**New York: Doubleday, 454 pages, $19.95**

Critic Lionel Trilling's oft-quoted 1949 observation that "in the United States at this time liberalism is not only the dominant but even the sole intellectual tradition for . . . nowadays there are no conservative or reactionary ideas in general circulation" was distressingly accurate. The libertarian ideals that animated Jefferson, Paine, and the American Revolution were nearly extinguished, at least among the intelligentsia, by the early 1950s. The handful of writers and politicians who still clung to the principles of '76 were dismissed by those in power as Neanderthals, isolationists, and reactionary cranks. When their tribune, Sen. Robert Taft, died in 1953, the fate of individualism seemed gloomy indeed.

And then along came the brash young sesquipedalian William F. Buckley, not yet 30, a self-described "wizened exschoolboy known mostly for an iconoclastic screed directed at his alma mater," and damned if he and his journal, *National Review*, didn't resuscitate the corpse, albeit in mutated form. Born in 1955, *National Review* boasted an outstanding and ideologically variegated crew of writers and thinkers—from the majoritarian Willmoore Kendall to the Burkean Russell Kirk to the near-anarchist Frank Chodorov—all presided over with great wit and panache by young Buckley. It was lively and zesty and it drove the liberals mad.

Thirty years later, former *Wunderkind* Buckley is an establishment pillar. His magazine, grown staid and much less eclectic, counts among its influential readers the president of the United States. Buckley, through his syndicated column and frequent TV appearances, has become certifiably famous. Even old enemies seek his companionship. The lad once denounced by McGeorge Bundy as "a twisted and ignorant young man" has been inducted into that Bundy social club, the Council on Foreign Relations. Give Buckley credit. His side has won.

JOYCE TRUE

***William F. Buckley: His grand obsession, blotting out liberty, is the matter of America's role in the world.***

The Cold War conservatism that found its most eloquent and persuasive voice in *National Review* has supplanted Cold War liberalism as the ideology that drives the federal government.

That ideology is on display in *Right Reason*, Buckley's 23rd book, a collection of essays, letters, and columns culled from his oeuvre of the last seven years. It's a curiously lifeless book for such a piquant writer. Save, that is, for several typically gracious eulogies and the fascinating tale of Edgar Smith, a convicted New Jersey murderer whose cause Buckley championed throughout the '60s and who, when finally released in 1971, took a recidivistic turn.

Now and then a Buckley *bon mot* does pop up, but to save you $19.95, I herewith present the best of *Right Reason*:

- On Yale President A. Bartlett Giamatti's speech warning entering freshmen to beware the Moral Majority: "To be lectured against the perils of the Moral Majority on entering Yale is on the order of being lectured on the dangers of bedbugs on entering a brothel."
- On getting the Soviet Union to apologize for shooting down KAL 007: "Circumstances put the Soviet Union in the position of a drunkard being asked to repudiate his liver."
- On Hartpence of Troublesome Gulch's pandering to interest groups: "Gary Hart went further in his public pledges to the territorial integrity of Israel during the campaign than he'd have been willing to go on behalf of Iowa."
- On socialist economist Robert Lekachman: "His idea of a perfect society is one in which 100 percent of all the money above whatever his salary is . . . would go to the government."

A Buckley column is typically interlarded with such witticisms, making it refuge from the humorless blather of 95 percent of his syndicated brethren. Even when wrong, or dull, as he often is in *Right Reason*, the man knows how to turn a phrase, and the *pensees* he dashes off (legend has it) in 20 minutes usually repay the reading. One looks forward to delving into a Buckley omnibus, whereas the mind boggles at the prospect of reading the collected lucubrations of Carl Rowan or Tom Wicker or, God help us, Richard Cohen.

The occasional one-liners aside, *Right Reason*'s chief virtue is in showing us how completely foreign affairs have come to dominate 1980s-style conservative thinking. Buckley's fear of communist expansionism has led him (and his fan Reagan) to policy conclusions very much rooted in the postwar liberalism whose scourge he used to be. Any resemblance between the world view on display here and that of the flinty Old Right of the '50s, which shunned interventionism abroad and held personal liberty as the ultimate political value, is strictly coincidental.

There are, to be sure, a handful of short columns prescribing tax and spending cuts as economically salubrious. Buckley also presents the case for making heroin available to terminally ill cancer patients, which, too, is fine and dandy. And that's about it on the personal-liberty side of the ledger.

For Buckley's grand obsession in *Right*

Free $39 report reveals:

# How To Turn $250 Into $51,888 ...In Four Years Or Less

Anyone with good credit, who believes in inflation should know the Silver Dip. This 80 page report shows how to own physical gold or silver in three non-U.S. countries without investing one penny!

It explains how to obtain a line of credit with three major overseas banks to purchase silver and gold.

**No Margin Calls.** This report is not about buying metals futures, nor options. It's about how you can own physical metals in England, Switzerland and Austria not subject to margin calls.

**Profit $51,000 for Nothing?** The report shows how you might turn $250 into $51,888 in 4 years. Amazingly, silver will not have to even go up in price! Last time silver dropped, those using the Silver Dip still made money.

**Safety Plus.** Don't worry about dealing with little shady companies either. All the banks recommended are amongst the largest including American Express and Visa.

The Silver Dip explains how to arrange your line of credit... easily and quietly. It names the banks which will lend and how to get started.

Overseas loans never have to be paid off. You find all the details of how to borrow including interest only no pay back loans in this report which sells for $39 but is yours free as you'll see later.

## The Sandwich: How to Earn $94,184 in 1 year...With No Risk!

The sandwich shows an unknown fact in the U.S. You can borrow from U.S. and foreign banks at one rate and redeposit in the same bank for higher interest! Right now, you can borrow from some of the world's largest banks at 7% and redeposit with the same bank for 12%!! You earn a cool 5% for doing nothing.

**No Risk.** The 48 page report, the Multinational Sandwich explains how you can use this technique. It shows vivid real case examples of how one investor increased his annual investment by 47%!

Unlike other investments, the Sandwich eliminates risk. It doesn't matter if the dollar rises or falls. It doesn't matter about inflation. You are safe from foreign exchange problems as you earn interest on the bank's money.

The Sandwich reports how you can use this simple technique with major banks. All the data includes names and addresses you can use now.

**A $39 Value - Yours Free.** The Multinational Sandwich sells for $39, however, to you this report is free. I'll explain later.

## The Five Country Spread: Profit $162,000 in Ten Years.

**The 5 Country Spread** explains how to enjoy steady gains of 30, 40 even 50% per year...through large, safe, international mutual funds.

One English fund (M&G Recovery) grew over 100% for each of 10 years! $10,000 invested a decade ago grew to over $162,000.

The 5 Country Spread shows how to cash in on big profits... easily, safely, privately. How to cut your tax bill to almost zero. It lists hundreds of English, Swiss and other funds many having billions in assets. Most have far outperformed U.S. funds, like:

**AFT Fund.** Australia's biggest fund has never missed a dividend since 1936 and has gained 40% p.a. average over 10 years. ($1,000 invested in 1974 is now worth over $30,000!)

**Energy Valor.** Managed by one of the oldest and largest Swiss banks. It was up 48% in just 6 months and averaged 26.6% p.a. for 6 years...in Swiss Francs.

**Your Best Legal Hedge.** Overseas mutual funds are safe and totally legal to own. This report tells why, how and where to buy but as you can imagine is not cheap. Just to get the details about mutual funds listed would cost you hundreds of dollars, if you know where to start and had time to write. It normally costs $49.

## But as part of this special offer, I am knocking $20 off and asking for only $29. What's more...the two special reports, the Silver Dip and the Sandwich (normally $39 each) are yours free!

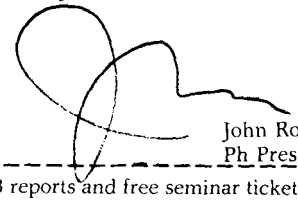
That's $130 worth of special reports and strategies for only $29, but I'm not done yet. You also get a free ticket to the $99, day-long seminar by Gary Scott, author of the 3 reports. They are scheduled across the U.S., but if you can't go, you can have a transcript.

$229 of invaluable investing techniques...any one of which could double your wealth in a year or less. All yours for $29... without risk on your part.

This low price does not change the guarantee. You have 60 days to examine your reports and try the techniques. If not fully delighted, return them, and I'll tearfully refund your $29!

Send in your coupon today...along with your check for just $29. I promise you will come out ahead. If you don't, it costs nothing.

Warmly,



John Ross
Ph Press

Send the 3 reports and free seminar ticket with 60-day guarantee, a $229 value for only $29. Send to: Ph Press 3080 Tamiami Trail North, Suite 4A-14 , Naples, Florida 33940 (Checks payable to Ph Press)

Name _____

Address _____

City _____ State _____ Zip _____

The price of these reports should be tax-deductible which lowers your cost to only $14.50.

*Reason*, blotting out liberty as a dark cloud does the sun, is the matter of America's role in the world. He desires us to be, er, assertive. In 1980 he would have us declare war on Iran and detain Iranian citizens (perhaps in the concentration camps the Great Roosevelt built for Americans unfortunate enough to be of Japanese ancestry?). Four years later we are to declare war on Nicaragua and fight until the Sandinista rulers are brought to their knees. He is positively gleeful over the heroic invasion of Grenada.

To take on these Third World colossi, as well as the Soviet Union, Buckley advocates suspending various of our rights in order to augment the power of the national government. Trade embargoes, restrictions on movement across borders, even the draft are instruments to be employed in the struggle against communism. Those who demur are written off as naifs. Or worse.

He writes: "The appeaser tends to oppose a national draft, to oppose any increase in defense spending, to oppose economic boycotts, cultural boycotts, boycotts of athletic events." Now one expects this kind of nonsense from the blow-dried rogues and assorted idiots who are elected to Congress on the Republican ticket. But not from William F. Buckley. Are those who despise communism and Soviet Empire but refuse to combat our enemies by adopting their tactics really appeasers? Was Frank Chodorov, whom Buckley admired and published for so many years and who fits the above description exactly, an appeaser? Are old friends being traduced here, or is Buckley just careless?

Surely the latter explanation holds. Buckley is one of the great personalities of our day, and I suppose we can forgive him his overstatements. Whether his role in steering modern conservatism in its tragic direction away from liberty and toward empire can be so easily forgiven is another matter.

At all events, this collection of essays has little to recommend it. Those searching for choice Buckley should pick up *The Unmaking of a Mayor*, a riotous account of Buckley's quixotic 1965 campaign for mayor of New York City. Oh, to have witnessed him in debate against John Lindsay, the quintessential limousine liberal, and the phlegmatic hack Abe Beame! What a grand mayor he'd be—after all, Sin City has no foreign policy.

*Bill Kauffman is assistant editor of* REASON.

## Words for the Tax-Resister Wise

### By Timothy Condon

***How to Defend Yourself Against the IRS, by Sandor Frankel and Robert S. Fink, New York: Simon & Schuster, 320 pages, $16.95***

GWYN STRAMLER

This is the kind of book I reflexively hate . . . or at least *think* I do. First of all, *How to Defend Yourself Against the IRS* is written by a couple of tax lawyers—*obviously* part of the present tax system and thus benefiting from it. The second problem—and it's a *bad* first impression, believe me—is that the two authors have gathered up endorsements (found all over their book jacket) from people like, ahem, a former commissioner of the IRS, a former Tax Division chief of the Department of Justice, and the general counsel for one of the Big Eight accounting firms. Zounds! Those people *love* the IRS and its associated enforcement machinery. Them recommending a book purporting to offer defense "against the IRS" is like germs recommending penicillin as protection from disease.

But wait! This really *is* a terrific little book, and it does just what it promises to do. Of course, some of that usefulness may be inadvertent, but—Sandy and Bobby, how could I *doubt* you, being fellow lawyers—why quibble over means versus ends?

For instance, the book starts out with a catalog of horrors: 15 stories about "tax cheats" who got caught, and why. That one chapter—entitled "Fail-safe Schemes That Failed, or Gotcha!"—is bound to be a big hit with the subterranean gauchos who don't want to make the same mistakes. Then there are successive chapters on how the IRS audit selection process works, how to handle an audit when you *do* get "picked," and then a *big* section (like about one-third of the entire book) on how to handle your whole interesting situation when you do "get caught."

The thing is, all the advice in the book is consistently good, clear, commonsensical stuff—but only the kind of info that expert, seasoned tax-trial lawyers could know about and give. Which is exactly what authors Sandor Frankel and Robert S. Fink are. And, being such—the legal profession's version of Old West hired gunslingers—they have this terrific, hilarious, cleansing, all-encompassing cynicism about the IRS and our tax system. That is to say, if the feds can't prove their case against you "tax cheats"—and I mean every last phoneme and morpheme of *all* the charges brought—then they don't deserve to have the fun of nailing you to a cross and feeding you vinegar.

This attitude results in consistently good inside advice that every taxpaying American should probably know about—for instance, how to "create" an accountant-client privilege when none is provided for under law. Or

how to conduct yourself tactically in a very heavy audit situation that's threatening to get heavier by the minute: "If you have a hidden fraud problem, you are under no obligation to let the agent know of it, or to let him know you're concerned or frightened." Hidden *fraud* problem? *Concerned or frightened?* You kidding? I love these guys.

How about this one: "Neither the criminal nor the civil fraud provisions of the Internal Revenue Code punish good-faith mistakes. Nor do they punish honest but stupid errors.... If you can prove that you simply made a mistake, pure and simple, even a big mistake, you have not committed tax evasion or fraud.... What kind of honest mistake will suffice? Any kind, as long as it relates to the issue in question and is sufficiently credible either to be believed or to create reasonable doubt about the government's proof of willfulness." *Yeah!*

The book has excellent sections on how the government proves you cheated and on your defenses to that proof. And it also has a chapter on *legal* tax-reduction techniques, not to mention a 63-page section at the back featuring important excerpts from the IRS's own manuals on how to pick returns for audit, how to *conduct* an audit, and "collection activity" once the taxpayer's been nailed—all provided courtesy of the Freedom of Information Act.

But by far the most-important information these two tax-marauders provide is the simple fact that operating outside the tax laws is *unnecessary*, in *addition* to being dangerous. At the end of their little tome, the authors lend us a two-page chapter entitled "Some Friendly Advice": "So you still think you can cut corners and get away with it, don't you? Statistically, you're probably right. Most people who cheat on their taxes are never caught, especially if they're not piggish about it." But why do it, they ask: "Cheating the government is a crime. Cheating yourself is a shame.... Among those thousands of tax rules and regulations within that indecipherable mass of verbiage, numerous tax benefits are there for you to take, legally. The law allows what the law allows, and it allows you many tax benefits. You don't have to cheat to get what you're entitled to, you just have to know what's yours."

To a libertarian type, the answer to that last line is, "It's *all* mine; I worked for it and I own it." Fine, they say: then you can either jump into the subterranean economy and get a lifelong case of indigestion born of constant fear (if you're the fearful type, that is). Or you can do what Tim Condon and now Warren Salomon have told you in REASON's tax column for years. "Like it or not, you're in the tax business," Frankel and Fink truthfully point out. "Today the Internal Revenue Code is with you in all the old familiar places. You can ignore this reality year-round at your peril and try to do your best on the night of next April 14, wading through your disorganized collection of papers....Or you can recognize the unhappy fact that the tax laws have something to say about too much of your life for you to ignore their consequences all year long. The fact is, the Internal Revenue Code and its accompanying regulations—thousands upon thousands of rules, several times longer than the complete works of Shakespeare and for the most part less comprehensible—have made a business out of life. Face it: The government has made everyday living into big business."

And you can make a handsome profit at it, if you'll just get your tax-act together. Thank you, Sandor. Thank you, Robert. Now, all you formerly wimpy taxpayers, get your tax records together, learn the ropes of the tax-game—*and go out there and kick their asses*!

*Tim Condon, formerly REASON's Taxes columnist, is an attorney and tax specialist practicing in Florida.*

## From Country Preacher to Populist Politician

### By Richard Benjamin Boddie

***Jesse Jackson and the Politics of Race, by Thomas H. Landess and Richard M. Quinn, Ottawa, Ill.: Jameson Books, 276 pages, $17.95***

This is the legend of one Jesse Louis Burns, who became "the Reverend" Jesse Jackson, who became a black populist politician, who became very rich and famous (or infamous). From Greenville to Greensboro to greenbucks! From Gatsby-like legend to the ultimate media manipulator, Jesse persists:

> I AM somebody! I am black, beautiful, proud! I must be respected. I must be protected. I am God's Child. What time is it? Nationtime! Ahw right—look out!!!

This ritualistic catechism was a part of the Saturday morning sermon and dialogue by Jackson at the Church of Operation Breadbasket, which eventually became PUSH, People United to Save Humanity (later, to Serve Humanity) in the 1970s. This catechism is typical of the constant rhetoric that Jesse Jackson, Muslim dissident Louis Farrakhan, and too many others use to excite their followers. He excels in the self-serving tradition of magniloquence and empty phrases, often bordering on hot air, hocus-pocus, hokum, hooey, and bunk.

Who *is* this Jackson fellow, who claims to speak for Africamerica (my word, for American people with roots in African tradition and culture by virtue of their ancestors having been slaves imported from Africa)? Who *really* is this Jesse Jackson, who embraces the Third World, who reaps great prosperity and seeks the presidency in the very system he seems to despise?

Jesse Louis Jackson is little known among whites except for what the media have conveyed. And that image is contradictory. The New Deal liberal types honor and protect him; their conservative counterparts generally crucify him reflexively. Ironically, he is even little known in his own black community, except as a voice speaking "eloquent" oratory to the white world. In any case, when it comes to Jackson, all three elements—the liberal and conservative media and the black community—suffer from the "Don't Confuse Me with the Facts" syndrome.

In *Jesse Jackson and the Politics of Race*, Thomas Landess and Richard Quinn paint a portrait of an opportunistic, driven, ambiguous man. Before even opening the cover of the book, I had some serious concerns.

First of all, who are these guys Landess and Quinn? Are they black or white? Was this going to be more superficial "political analysis" by someone who probably had never heard of Barbara Reynolds's well-documented, extensive, audacious exposé of Jackson? Reynolds's book, *Jesse Jackson: The Man, the Myth and the Movement*, appeared on bookstore shelves in Chicago in 1975 but disappeared shortly thereafter. I read

portions of the book in 1976 and personally knew much of it to be credible. I was not at all surprised that *none* of that information ever surfaced during Jackson's 1984 presidential campaign. Would these authors cover for "the Reverend" too?

Well! To my surprise and relief, the authors not only know who Barbara Reynolds was, and of her book, but derived much of the first few chapters of their book from Reynolds's work. Now these guys had real credibility as far as I was concerned. Equally as impressive was their original research and, most of all, their outstanding insight into this

KEVIN POPE

man's saga, told with passion, penetrating judgment, and authenticity (and I still don't know whether the authors are black, white, or whatever, and really don't care after all).

In the book we move from an even-handed, detailed account of Jackson's background and mythical "deprived" childhood to his theatrics and almost morbid opportunism immediately following the death of Martin Luther King, Jr. We observe in great detail (for which the authors apologize, but which is absolutely important and enlightening) Jackson's loyal friendship with the violently anti-Semitic, apocalyptical, and equally ambitious Louis Farrakhan. Why such a link?

The authors detail how Jackson quickly *grabbed* a leadership role in the late civil-rights movement and how he pushed aside Dr. King's anointed Southern Christian Leadership Conference (SCLC) successor and closest friend, Rev. Ralph David Abernathy. In a foreword to this book, Abernathy reflects on what has happened to the civil-rights movement since King's death and offers wise counsel on how to set things right. Abernathy's only criticism of the book focuses not on its accuracy but on the straightforward, rather than critical, presentation of Jesse Jackson's flagrant abuse of both him and the SCLC.

It had been with an uncanny sense of theater, some snake oil, and much self-promotion that Jackson operated the SCLC's Operation Breadbasket in Chicago. The group effectively utilized the power of the boycott to encourage businesses to better serve blacks, an approach started in 1959 by Rev. Leon Sullivan in Philadelphia and expanded by King through the SCLC by 1962. But

***Jackson, differing greatly from King, has been more concerned with power and money than with rights, more concerned with separatism than with a colorblind America, more concerned with Arabs than with Jews.***

Landess and Quinn show how Jackson took the boycott further, applying quasi-extortionist tactics first against local businesses and later nationwide, after he ceremoniously departed from Operation Breadbasket to his own PUSH. PUSH became Jackson's "bread" basket and power base in Chicago. The authors document how it evolved over the years through five separate shells to hide the pea from the Internal Revenue Service.

But too many of Jackson's efforts and personal gains came at the expense of people he purportedly served, such as legitimate black politicians who opposed the Daley political machine in Chicago in the early 1970s. Many of Jackson's gains actually helped "one of the shrewdest manipulators of power in the history of American politics, Richard J. Daley," retain his power. Jackson, say the authors, "made it difficult to believe he really wanted to upset Chicago's boss mayor, either in 1971 or 1975." But in 1983 Harold Washington became king of the hill in spite of Jesse. So after 18 years in the Windy City, Jackson left town for parts south—as in Carolina. The reason why is obvious.

After the resignation of Andrew Young as US ambassador to the UN, it became clear that Jackson would attempt to lead the "new black agenda" (now including overt anti-Israeli, anti-Jewish, or traditional anti-Semitic positions). This led to friendships with terrorist Yasir Arafat (of the Palestinian Liberation Organization), Libya's Moammar Khadafi, Cuba's Fidel Castro, and several other anti-Semitic, anti-American individuals. In their attempt to explain Jackson's multitude of motivations and contradictions, the authors' even-handed account allows the readers to decide for themselves why Jackson forged these relationships.

The book's final chapter had the greatest impact on me. There the authors show that Jackson is not the socialist I had thought he was for years. Instead, they make a good case for characterizing him as above all a populist. Ironically, he uses the same rhetoric and tactics of the post-Civil War southern politicians and the modern populists. The former established Jim Crow laws; the latter seek to end control of the world by "Jewish bankers." Jesse makes for a new twist—black anti-Semitism and bigotry.

Drawing from reports over the years by reliable people such as Reynolds and black journalists such as Milton Coleman (the man Farrakhan threatened to kill or have killed); Angela Parker, who exposed Jackson's miserable bookkeeping to Abernathy and the SCLC; and Vernon Jarret, the authors reveal a seldom-disclosed side of Jackson—scheming, devious, deceitful, self-serving, and sometimes just plain dishonest. The book shows that Jackson, differing greatly from King, has been more concerned with power and money than with "rights"; more concerned with separatism than with a colorblind America; more concerned with Arabs than with Jews. Most of Martin Luther King's ideals are mere mid-January media exposure for Jackson. He gets exposure as the "poverty" leader who spends time in the posh La Costa, California, spa. He gets coverage launching yet another voter registration drive or rejuvenating PUSH EXCEL inspirational phrases for black youth. He calls press conferences almost daily, and the media show up. Landess and Quinn show that Jesse, the Country Preacher, is pure and simple a politician who lacks credibility with *most* Americans regardless of race, though

they are unable to articulate why. They do, however, understand that "nation-time" really means "Jesse Jackson time."

His personal power has come from his oratory, bordering on eloquence at times, as shown at the 1984 Democratic convention before a national television audience. This was perhaps Jackson's greatest moment to date. As a black populist politician, disguised as a man of the cloth for effect, he finds power and strength in the spoken word. But, as the authors imply and one might observe independently, Jackson would increase his worth to all concerned if he were more open and consistent, talked less, and shed his anti-Semitism.

The grand scope of this unforgettable book encompasses not only the poignant tale of the ambiguous and ambitious, often deceptive, always-the-politician Jesse Jackson, but also the deepest feelings of many Africamerican people and our never-ending quest for equality before the law, which is now nearly attained. More important, however, is *liberty*—which is not equality, but freedom. Apparently, Jesse Jackson and thousands have not made the distinction and therefore don't know the difference.

It is an absorbing, compelling book of a secretive man with a strange mission. It is a stunning peek at a brilliant and troubled man, a book hard to put down and certain to linger in the reader's mind. Using the time-honored cliché of book reviewers . . . this book must be read.

*Richard Boddie is a public speaker and writer.*

## Looking in on Our Spies

### By Jonathan Marshall

***A World of Secrets: The Uses and Limits of Intelligence, by Walter Laqueur***
***New York: Basic Books, 404 pages, $21.95***

Don't look for *A World of Secrets* in the potboiler paperback section of your local newsstand; try the textbook section of a university bookstore. Its hero isn't James Bond; it's the anonymous analyst who sifts a myriad of clues to estimate the size of the next Soviet wheat harvest and its impact on world gold prices.

Walter Laqueur, a professor of modern history at Georgetown University, doesn't aim to capture the headlines with scandalous new revelations. He is neither a crusader, a muckraker, nor an insider. As a scholar, instead, he tries to illuminate the complex relationship between intelligence and policy, knowledge and action. Though he emphasizes the pathologies of intelligence—when and why it fails, and when and why policymakers fail to heed it—his sympathies remain always with the obscure men and women who labor to predict the future and make sense of the present.

But his weighty tone and scholarly apparatus disguise too many important oversights and unjustified ideological pronouncements masquerading as factual conclusions. Though often well documented and cogently argued, Laqueur's work may mislead readers unfamiliar with the terrain.

His first aim is to demythologize agencies of the government that sensationalist exposés have turned into mysterious citadels of power. "Far from being an invisible government," Laqueur writes, "far even from wielding great influence in the councils of state, intelligence has frequently been disregarded or ignored by decision makers." Thus Stalin was taken utterly by surprise when Hitler's armies invaded the Soviet Union in 1941, despite dozens of reports predicting the coming onslaught. Israeli leaders, convinced of their superiority, simply rejected intelligence warnings of an impending Egyptian attack in 1973. And when CIA director Richard Helms tried to alert the White House in 1968 to the imminent Soviet invasion of Czechoslovakia, "he was dismissed as an alarmist."

Why do governments pay billions of dollars for intelligence analysis, only to let the process fail? Laqueur points accusingly to bureaucratic sloth, administrative flux, too much compartmentalization of information on a "need-to-know" basis, an overabundance of data, the desire of decisionmakers to interpret raw data themselves, and political pressure to shape conclusions to fit existing policy or views. Policymakers hear what they want and disregard the rest.

Laqueur mentions only in passing what could have been his best illustration of the distortion of intelligence to suit

"Only NordicTrack provides the same superior fitness building benefits as real X-C Skiing."

**Scientific Tests Rank NordicTrack #1**

In tests of exercise effectiveness at Oregon Health Sciences University, NordicTrack was found significantly superior to the exercise bike, the rowing machine and other exercisers.

**Rank of Effectiveness**
1. **NordicTrack X-C Ski Exerciser**
2. **Exercise Bike**
3. **Rowing Machine**
4. **Shuffle Type Ski Exercisers**

NordicTrack's higher oxygen usage score shows that more muscle mass is involved in the exercise and more calories are being burned. This means you build your own fitness faster and with less effort on the NordicTrack.

- **Better Than Exercise Bikes** NordicTrack's skiing motion more uniformly exercises the body's major muscles for a more effective workout.
- **More Effective and Safer Than Rowing Machines** NordicTrack's resistance is proportioned according to the individual muscle strength—no major muscles are over-stressed or under-worked.
- **Superior to Other Ski Exercisers** Other ski exercisers use less effective frictional resistance with a resulting calisthenics-like feeling. NordicTrack's unique flywheel provides more effective inertial resistance for a life-like feeling of smoothness and continuity matched only by real skiing.
- **Burns Up To 600 Calories per 20 Minute Workout**

Free Brochure. Call
**800-328-5888**
Minnesota 612-448-6987

NordicTrack
© PSI 1986
141RE Jonathan Blvd., Chaska, MN 55318

bureaucratic imperatives: the corruption of military intelligence during the Vietnam War. At the 1985 Westmoreland-CBS libel trial, for example, the senior officer charged with estimating enemy strength in 1967 testified that his superiors ordered him to conform to "ridiculously low" official figures. General Westmoreland's reaction to contrary estimates, he declared, "included statements like 'What will I tell the president? What will I tell the Congress? What will be the reaction of the press to these high figures?'" That deception had a profound impact on the course of the war. Though the Tet offensive in Vietnam ended in a Communist defeat, it took the American public, conditioned by optimistic military estimates, by surprise and opened the credibility gap too wide to close.

More serious than any omissions in Laqueur's account, however, are the distortions in his analysis of intelligence breakdowns. Sometimes he even fails to convince that any such breakdown took place. He asserts that "American intelligence in general, and the CIA in particular, had underestimated Soviet ICBM deployment from 1962 onward." His evidence shows no such thing; rather, they underestimated long-range future deployments. The difference is important. His statement implies, quite wrongly, the CIA's inability to count existing Soviet ICBM forces—a capability critical to the success of any future arms-control agreement.

Laqueur would also have us believe that the CIA gullibly believed Soviet ICBMs in the 1960s "were neither accurate nor reliable enough to threaten the hardened silos in which the Minuteman and Titan II forces were deployed." The reader looks in vain for any evidence that the CIA was substantially wrong. The most-recent Air Force and CIA estimates indicate that even late-model SS-18 and SS-19 missiles, far more accurate than the SS-9s of that era, cannot pull off a high-confidence attack against our land-based silos.

When Laqueur does cite evidence, it doesn't always support the intended conclusion. In 1975, he notes, the CIA found reason to double its ruble estimate of Soviet military spending. "This new information made it clear that the Soviet aim was not parity but superiority," he claims. Yet elsewhere he admits that the new estimate "did not affect its appraisal on the size or capabilities of Soviet military forces." In fact, the CIA concluded that Soviet military production was much less efficient than formerly believed. In total spending, moreover, the Warsaw Pact has always lagged behind NATO—hardly a case of Soviet "superiority." (Of course, the Soviets do have some geostrategic and organizational advantages that make them a serious potential threat to Western Europe.)

Ideology rather than sound scholarship seems to influence many of Laqueur's conclusions. How else can one account for his claim that "the more intelligent [Soviet] young men and women—those of character and integrity—will look for a career outside the KGB, and usually as far away from politics as humanly possible"? You don't have to admire the thuggish and unscrupulous KGB to believe that it is not staffed only by dolts. Since when are character and integrity synonymous with brains, anyway?

Similar ideological dispositions may explain his exclusive focus on bureaucratic foibles to discredit the notion of an invisible government. "I will examine intelligence analysis," he announces, "not covert action, counterintelligence, propaganda, disinformation, or other such topics." Yet those are the very functions that gave rise to the popular term "invisible government" in the first place.

From Laqueur's sanitized account, you'd never know that the CIA sent mercenaries into the Congo, bought journalists and news agencies, directed suicide missions in Cuba, consorted with mobsters, and parachuted SS veterans trained as guerrilla warriors into the Soviet Union. When he does allude to such sensational activities, his account deceives by omission. His glancing mention of "CIA ventures into the field of pharmacology" takes no note of the Technical Service Division's involvement in developing undetectable poisons (including one introduced unsuccessfully into the Congo to kill Patrice Lumumba) and mind-altering drugs (which led to the death of at least one unwitting subject) and in exploring the potential for using "Manchurian candidate"-like assassins, with unwitting dupes drugged by secret agents and then instructed to carry out assassinations.

Such activities are relevant even to Laqueur's narrow focus. No full analysis of bureaucratic influence on intelligence gathering can fail to note the potential conflict of interest posed by the CIA's dual missions of intelligence and covert action. Did not the CIA's commitment to overthrowing Fidel Castro affect its perception of his domestic unpopularity at the time of the Bay of Pigs invasion? Of the link between the two, Laqueur acknowledges only that the shortage of "talented personnel" in intelligence may stem from "the effort (that) had gone into training operators, rather than analysts."

Instead of exposing "a world of secrets," Laqueur illuminates one corner of the espionage community. His account may have value as a balance to the CIA-as-the-source-of-all-evil literature. As a scholarly analysis, however, it lacks sufficient breadth or objectivity to rise above the pack.

*Jonathan Marshall is editorial pages editor of the* Oakland Tribune *and a long-time follower of intelligence matters.*

■ ***A Country Such As This, by James Webb, New York: Doubleday (hardcover); Bantam Books, 588 pages, $3.95 (paper).*** Born in the mid-'50s, I have many childhood and adolescent memories tinged by images of the Vietnam era—nightly scenes of combat and body counts on the evening news, student protests, funerals for local boys not much older than myself, and many more. On my 18th birthday, I dutifully registered for both the right to vote and the draft, although the selective service system had sent out its last notices two years before. Perhaps as a result of being so close to the turbulence without actually being a part of it, I have always had difficulty in forming a clear understanding of the forces and events that strained the ties of American society more than any time since the Civil War. I suspect that there are many others—probably both older and younger than I—who share the problem.

James Webb's recent novel, *A Country Such As This*, goes a long way toward making sense of the Vietnam-era maelstrom. Webb, currently assistant secretary of defense for reserve affairs, was one of America's most-decorated Vietnam veterans—earning the Navy Cross, the Silver Star, two Bronze medals for valor, and two Purple Hearts—before returning to graduate from Georgetown University's law school and write his first book, the Pulitzer-nominated *Fields of Fire*.

In *A Country Such As This*, Webb explores the 25 years between 1951 and 1976 through the lives of four graduates of the US Naval Academy (from which

# the book case

Webb himself graduated). It is a work vibrant in its realism, no doubt inspired in large part by Webb's own personal experiences, along with those of numerous historians, veterans, former POWs, and wives of former POWs who shared their time and emotions with him in interviews.

It's not only that Webb paints vivid images with words, whether of the interior of a navy Blue Angel jet or a Vietcong prison camp, but that he also populates the book with characters who express intriguing ideas and observations. One scene, for example, has a military bureaucrat in Vietnam briefing a group of visiting members of Congress on the logic of a plan initiated in 1952 under which Vietnamese villagers were forcibly evacuated to almost 12,000 "strategic hamlets" in order to "provide physical security from Viet Cong terrorism and to sever the social ties the VC have established." "We're interested in keeping communism out of South Vietnam," prophetically responds one fictional legislator, "not creating the ideal laboratory conditions for it to grow!"

A Navy pilot ponders "the almost malevolent" way that he and his fellow airmen "were being wasted." "They flew against railroad yards" yet "were not allowed to attack MiG training bases." "They could not attack Soviet missile sites until they were operational, and then, of course, it was like walking down the tube of a cannon."

And from a frustrated general trying to understand the concept of a limited war: "the man sends us against the North day in and day out. Not against targets that will hurt the North Vietnamese, but against 'interdiction targets.' I don't know how many pieces of railroad track I've blown away in the last five months. But I can guarantee you that Russia and China and the other communist countries have been replacing them as fast as we've been blowing them away. The North Vietnamese probably *love* what we're doing. It keeps their people united. It doesn't really hurt them. And it keeps the aid rolling in from the communist bloc."

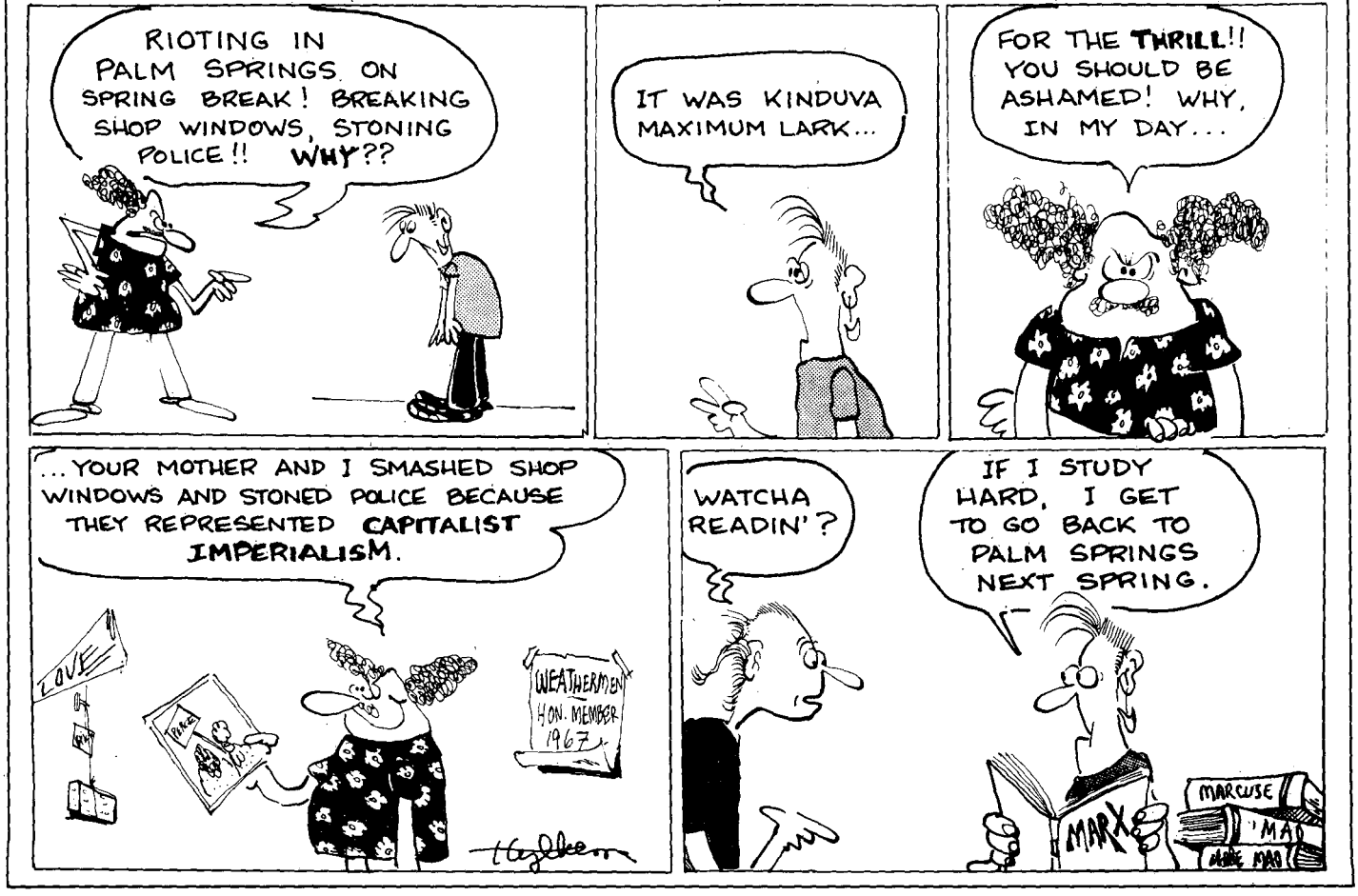
Webb also reserves dialogue for comment on domestic affairs during Johnson's "Great Society" years. As he lounges in a Capitol Hill park, a congressman, anticipating Charles Murray's indictment of Great Society programs in his widely discussed 1985 book, *Losing Ground*, sees a squirrel carefully eating a discarded potato chip. "The squirrel had lost its abililty to feed itself," he muses. "Well-meaning people such as himself had tossed it scraps until it became dependent on their kindness, unable to survive without it. *Do we do this to people, too?*"

*A Country Such As This* is not a new book—it first appeared over two years ago, and the paperback edition has been available since April 1985. But as study of the Vietnam years and their lessons for today loom larger, especially as we ponder intervention in Nicaragua, the book's relevance can only grow.

***—Kelly Ross***

# rudebarbs

*Randall K. Hylkema*


RIOTING IN PALM SPRINGS ON SPRING BREAK! BREAKING SHOP WINDOWS, STONING POLICE!! WHY??
IT WAS KINDUVA MAXIMUM LARK...
FOR THE THRILL!! YOU SHOULD BE ASHAMED! WHY, IN MY DAY...
...YOUR MOTHER AND I SMASHED SHOP WINDOWS AND STONED POLICE BECAUSE THEY REPRESENTED CAPITALIST IMPERIALISM.
LOVE
WEATHERMEN HON. MEMBER 1967
WATCHA READIN'?
IF I STUDY HARD, I GET TO GO BACK TO PALM SPRINGS NEXT SPRING.
MARCUSE
MARX

**viewpoint**

By Benjamin Zycher

# A Gusher for The Politicians

Amid the tolling of church bells and the joyous shouts of aspiring bureaucrats, proposals for a tariff on imported oil once again are breaking the ice on the Washington cocktail circuit.

Rising oil prices were used in the early and late 1970s as a justification for oil-import tariff proposals, presented as a purported means to tax away OPEC profits. Stable prices were used in the mid-1970s as a rationale for more tariff proposals, justified as a tool with which to promote "conservation" and "reduced dependence" on foreign oil.

Now that oil prices are falling sharply, the same people have reemerged with the *same* inevitable proposals for an oil-import tariff, this time on the grounds that the revenue could be used as a "painless" means of meeting the Gramm-Rudman-Hollings deficit targets, thus circumventing congressional paralysis in terms of budgetary discipline. This is a strange justification for a new tax, as those making this argument presumably never would support efforts by businessmen to hide price increases, that is, to make them "painless." No matter: truth in advertising does not apply to our honorable solons. But that is another story.

Let us note first that the popular argument that an oil tariff be increased on a dollar-for-dollar basis as oil prices fall is inconsistent with the goal of "kicking OPEC." Such a tariff would make US oil prices and thus consumption relatively constant regardless of changes in world oil prices. The Saudis, then, would have *reduced* incentives to cut their prices; why should they do so if increased sales and revenues would not result?

If the tariff is instead a constant tax per barrel, then it may exert some downward pressure on world oil prices, but the effect is likely to be quite small because the United States does not possess great market power as an oil consumer. Moreover, the tariff that is "optimal" in terms of wealth redistribution from oil producers to the US economy is not the same tariff as that which would maximize revenue to the government. Notwithstanding the beliefs of congressmen, pundits, and bureaucrats, revenues for the government are not the same as benefits for the economy. Government is hardly renowned for promotion of the general good over more-parochial concerns; only the innocent can believe that the tariff actually chosen will be that which maximizes benefits for the economy as a whole.

"I CAN'T BELIEVE IT! WE FINALLY ESCAPED THE CLUTCHES OF THOSE PIRATES!"

Furthermore, the purported "painlessness" of a tariff is an illusion. A price decrease confiscated by the government is a cost to those bearing the tax, regardless of the degree to which it is hidden by price fluctuations. Moreover, the United States is part of the world economy, so that domestic firms competing with overseas ones that are exempt from the tariff will be put at a competitive disadvantage, thus leading to a long-run shift in resource allocation. This shift will move resources toward less-productive uses, exacerbating the costs imposed upon the economy.

And do not allow anyone to tell you that administration of an oil-import tariff is a trivial matter. The tariff would have to be applied to imports of both crude and refined products in order to avoid serious distortive effects, but application of the tariff to products will produce considerable howling in Congress by innumerable special interests. Add to those the inevitable wailing from northeast heating-oil users. Add to those the various interests supporting exemptions for Mexican and Venezuelan crude oil. Add to those the pleas from owners of refineries in Puerto Rico and the Virgin Islands. Do not forget the small refiners, experts at promotion of "competitive disadvantage" arguments for any and all occasions.

Throw in some additional exemptions for petrochemical producers, and you can see that the administrative complexities, distortions, and absurdities of the Mandatory Oil Import Quota Program (1959-73) and of the price-control Entitlements Program (1975-81) were not, as *Pravda* would put it, accidental. This inevitable complexity, distortion, and cost means that the tariff revenues inexorably will be consumed in efforts to compensate losers and to buy off interests so as to forge a coalition. In reality, an oil-import tariff has little to do with "deficit reduction."

Proponents of an oil-import tariff actually have done us quite a favor: they have provided a new "shoot-anything-that-moves" theory of taxation. If a price rises, impose a "windfall profit" tax; if it falls, impose a "painless" tax. Since all prices in a dynamic economy shift over time, this philosophy puts the government's fingers into every possible pie. Think of the endless possibilities. Electronics prices are falling drastically; we could impose "painless" taxes and solve the technology-transfer problem once and for all. College tuitions are rising; we could impose a "windfall profit" tax and force the campus leftists to find honest work. And the hell with the deficit: we could use the revenues to enrich economists in Canoga Park whose last names begin with the letter "Z."

*Benjamin Zycher is an economist in Canoga Park, California. He was a senior staff economist at the Council of Economic Advisers during 1981-83.*

# Proof Gold Bargain!

Suppose someone told you that there is a gold coin, that is relatively scarce, available in stunning Proof condition; the coin is a genuine Commemorative coin of one of the world's great nations; and that the coin is available at a price about 45% above its melt value.

Difficult to believe?

Such a coin exists...the Canada $20, issued in 1967 to commemorate Canada's Centennial. It is larger than the U.S. $10, yet sells for less than half the cost. And that's not all.

## 10 reasons to Buy the Canada $20

**1** The Canada $20 is genuinely scarce: only 337,688 were minted. See the chart below comparing it with other gold coins.*

**2** The Canada $20 is a relative bargain, priced far cheaper than other, comparably rare gold coins. As you can see from the chart, the Canada $20 is available at a price more than 35% lower than the U.S. Olympic $10—despite the Olympic's mintage of more than double the $20's. The $20 is also about 20% cheaper than the Canada $100 1980, despite their similar mintages. It's also far cheaper than MS-60 specimens of regular U.S. issues, despite their significantly higher mintages.

**3** Since the introduction of the $100 commemorative gold coin in 1976 and the Maple Leaf in 1979, Canada has moved into the forefront of the world's gold coin producers. More and more collectors, especially in the U.S., are seeking the coins of our neighbor to the north.

**4** The Canada $20 was issued in 1967, at which time it was illegal for Americans to acquire current gold coins. Consequently, very few Americans acquired specimens at the time of issue. Most of the mintage was sold to Canadian collectors, but a very substantial portion was sold to European collectors. As more and more Americans seek the Canada $20, its price is likely to rise.

**5** The Canada $20 is Canada's first modern gold coin issue, and is required by collectors seeking a complete set of Canada's modern gold coins.

**6** The Canada $20 is Commemorative Coin of genuine importance, issued to help celebrate Canada's 100th Birthday.

**7** The Canada $20 is unique among Canada's gold coins: the $5, $10, $50 and $100 gold coins have each been issued for at least 6 different years, and all are still being produced. The $20 was issued only in 1967. It is a one year type coin!

**8** The Canada $20 is a Proof coin: a specimen of the pinnacle of the mintmaster's art.

*data as of '4/8/86.

| COIN | MINTAGE | CONDITION | PRICE | COST/OZ |
|---|---|---|---|---|
| Canada $20 1967 | 337,688 | Proof | $260 | $491.68 |
| Canada $100 1984 | 200,000 | Proof | 325 | 650.00 |
| U.S. $10 Olympic 1984 | 800,000 | Proof | 395 | 816.64 |
| U.S. $10 Indian 1932 | 4,463,000 | MS-60 | 1495 | 3061.96 |
| U.S. $20 St Gaudens 1928 | 8,816,000 | MS-60 | 710 | 733.85 |
| U.S. $20 Liberty 1904 | 6,256,797 | MS-60 | 700 | 723.51 |

**9** Because the Canada $20 was issued without protective packaging, relatively few survive in choice condition in comparison with other modern issues.

**10** The Canada $20 is a legal tender coin, with established markets worldwide.

**Act Today!** After months of effort, Liberty Coin Service has recently acquired a small quantity of these beautiful coins. Quite frankly, we expect that we will sell out. Therefore, there is a strict limit of 10 coins per order.

To order call Toll-Free 1-800-321-1542, or return the handy order form below.

# YES!

Please send me the **Canada $20 1967** gold coins I've indicated below. I understand that each coin will be in Choice Proof condition.

_____ Canada $20 1967, Choice Proof @ $265

_____ Canada $20 1967, Choice Proof @ $260
(For 5 or more)

Please include postage & handling—$5.00

Enclosed is my check for_____

NAME

ADDRESS

CITY/STATE/ZIP

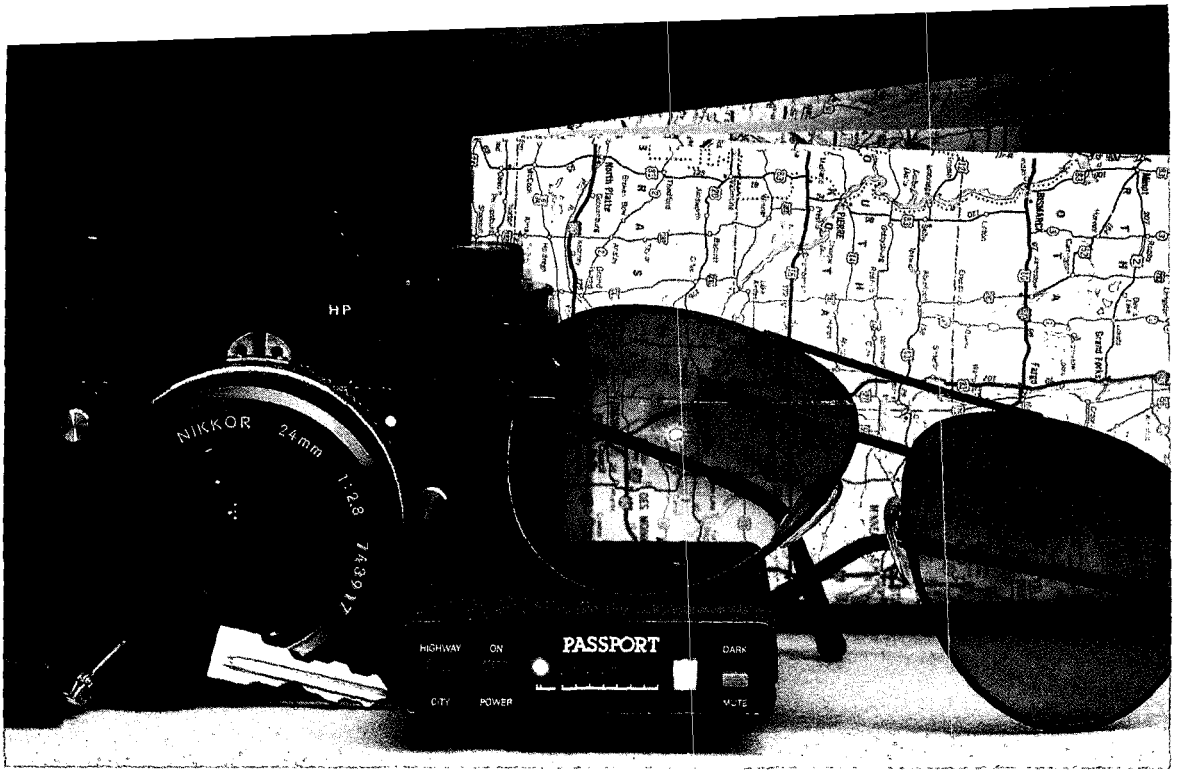
PHONE

**Liberty Coin Service**
300 Frandor Avenue
Lansing, MI 48912
(517) 351-4720

@

Liberty Coin Service has served investors with lowest prices and immediate shipment of precious metals and rare coins since 1971. You can call Liberty Coin Service toll-free at (800) 321-1542 for quotations on any rare coin or precious metals item, or for an introductory packet of information.

Liberty Coin Service 300 Frandor Ave. Lansing, MI 48912




# Pleasure Trip

## Don't let radar spoil it: Remember your Passport

Imagine setting out on a long day's drive and not having to worry about radar. Seeing America might be fun again if you didn't have to watch it unfold in the rearview mirror.

### PASSPORT means low-profile protection

PASSPORT has exactly what the vacationing driver needs: advanced radar protection, yet none of the nuisances you've come to expect of ordinary radar detectors.

The experts at *Car and Driver* magazine gave us a rave review: "In a word, the Passport is a winner."

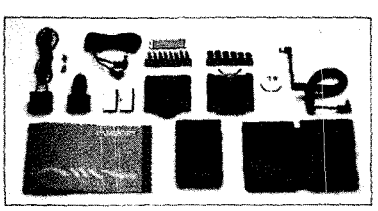
Our customers agree, even though we allow them ample opportunity to do otherwise. Every Passport is sold with the promise that it will live up to the customer's highest hopes, not just our claims. If it doesn't satisfy within the first 30 days, it can be sent back for a full refund.

PASSPORT has been on the market just over a year and already our money-back offer has been declined a quarter of a million times. So we'll stand on our record.

### PASSPORT means the size of a cassette tape

PASSPORT provides superheterodyne performance in a package the size of a cassette tape. This miniaturization is possible only with SMDs (Surface Mounted Devices), microelectronics common in satellites but unprecedented in radar detectors.

All you do is clip PASSPORT to your dashtop, windshield or visor, plug it in, and adjust the volume. Upon radar contact, the alert lamp glows and the variable-pulse audio begins a slow warning: "beep" for X band radar, "brap" for K band. Simultaneously a bar graph of Hewlett-Packard LEDs shows radar proximity.



PASSPORT comes complete with all accessories.

As you get closer, the pulse quickens and the bar graph lengthens. PASSPORT watches for radar so you can watch the road.

PASSPORT comes with a leather travel case and everything necessary to get you on the road in seconds, no matter what car you drive. And one more convenience—we deliver. We make PASSPORT in our own factory in Cincinnati and we sell direct to you.

### PASSPORT means an easy fit in your travel case

Call toll free. We'll answer your questions. If you decide to buy, we'll ship by UPS the next business day at our expense. For $6.00 extra, Federal Express will deliver to you within two business days of shipment.

And once again, we make this promise: if you're not satisfied within 30 days, return PASSPORT. We'll refund your purchase and your shipping costs. There are no hidden charges. Moreover, PASSPORT is backed by a one-year limited warranty.

Next time you set out on a pleasure trip, don't forget your PASSPORT.

**$295** (OH res. add $16.23 tax)
Slightly higher in Canada

VISA MasterCard

©1986 Cincinnati Microwave, Inc.

**PASSPORT®**
RADAR · RECEIVER

**Call Toll Free 800-543-1608**

Cincinnati Microwave
Department 0137
One Microwave Plaza
Cincinnati, Ohio 45296-0100